

Influence of Locality on Consumer Behaviour While Purchasing Household Equipment

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ABSTRACT Purchase of household equipment involves lot of thinking and future vision for utility of the equipment. The type of equipment purchased by the family depends upon certain influencing factors such as place of residence, education, family background etc. The study was conducted in Dharwad city and two near by villages of Dharwad taluka. Husband is the main decision maker while purchasing the household equipment in maximum percentage of families. As per ranking of factors considered, maximum percentage of housewives ranked first to price, second to durability, third to appearance and fourth to safety. Last rank was given to ISI mark on the equipment.

INTRODUCTION

Every business that deals with consumers is guided by consumer demand for the products. Consumer behavior is the act of individuals in obtaining and using goods and services, which is exhibited through decision process. Consumer purchases are likely to be influenced by physiological, psychological and sociological factors (Joshi, 1993). Purchasing of household equipment involves lot of thinking and future vision for utility of the equipment. This is especially true when the equipment to be purchased involves high expenditure. The type of equipment purchased by the family depends upon certain influencing factors such as place of residence, income, education, family background etc.

The behavior of the consumer is not static one, it varies from place to place, time to time and family to family. According to Patel (1975) educated and young homemakers gave more importance to the different varieties of goods and services offered by the stores and collected information about different brands. There is lot of difference in purchasing habits by rural and urban women.

The present study is carried out, with the aim

to analyze the behavior of rural and urban housewives of Dharwad taluka while purchasing the household equipment with the following specific objectives.

1. To study the decision making pattern of the rural and urban households while purchasing the household equipment.
2. To study the preference of factors considered while purchasing the household equipment.

METHODOLOGY

The study was conducted in Dharwad city and two villages near Dharwad viz., Yattigungda and Mugad. The total sample size of the study was 130 women respondents, of which 50 percent belonged to Dharwad city. The sample was selected randomly from both the areas. A structured questionnaire in the regional language was prepared to elicit the information from the housewives, by personal interview method in an informal atmosphere.

The data collected was analysed and presented in frequency and percentage and various statistical tests viz., chi-square, and rank correlation were applied to study the association of place of residence and purchase of household equipment and rank of preferences for the various factors considered in purchase of household equipment.

RESULTS AND DISCUSSION

Table 1 depicts the age, education level of the respondents and the family income of the total sample selected for the study according to their locality. Maximum percentage of the rural respondents (44.6%) belonged to 20-30 years age group, followed by 26.1 percent belonging to 30-40 years of age group. While in urban area 48 percent respondents belonged to 30-40 years

Table 1: Socio-economic characteristics of the sample selected for the study

S. No.	Socio-economic characteristics	Locations	
		Rural (n=65)	Urban (n=65)
1.	Age (in years) :		
	20 – 30	29 (44.60)	22 (33.84)
	30 – 40	17 (26.10)	31 (47.69)
	40 – 50	15 (23.00)	12 (18.46)
	> 50	4 (6.15)	–
2.	Education :		
	Illiterates	41 (63.00)	–
	Schooling	24 (36.89)	19 (29.23)
	Degree	–	37 (56.91)
	Postgraduates	–	9 (13.84)
3.	Income per month (in Rs.)		
	< 2500	–	–
	2500 – 5000	37 (56.86)	–
	5001 – 10,000	28 (43.14)	18 (27.67)
	> 10,000	–	31 (47.69)
		–	16 (24.61)

(Figures in the paranthesis indicate percentage).

age group and 34 percent in the age group of 20-30 years.

Most of the rural respondents [63.0%] were illiterates and only 36 percent had school education, where as 57 percent of the respondents of urban area were educated up to degree level. With regard to family income, more than 50 percent of families of rural areas had less than Rs.2500/- per month, while 47.69

percent of urban families had income between Rs. 5000 to 10,000 per month. Twenty- seven and 24 percent of urban families had monthly income of Rs. 2500/- to 5000/- and more than Rs. 10,000 per month respectively. Thus the urban families had higher monthly income than the rural families.

The decision maker in the family for purchase of household equipment is presented in Table 2. It is clear from the table that, apart from place of residence, the money value of the equipment would also influence the decision making process in purchasing the household equipment. Husband alone was the decision maker in maximum percentage of rural households irrespective of the money value of the equipment, followed by joint decision made by husband and wife together. Wife alone making decision was nil when the cost of the equipment was more than Rs.1000/- in rural areas. Negligible percent of housewives alone (16.93%) took the decision in rural areas. When we examine the decision making process in urban areas, maximum percentage of families took joint decision i.e both husband and wife together while purchasing equipment irrespective of the cost of the equipment. This may be because of the influence of education and the exposure the urban respondents get compared rural respondents. The percentage of

Table 2: Influence of cost of equipment and the locality on decision making in purchase of household equipment

Cost of equipment (Rs.)	Locality	Decision maker				Chi-square test
		Husband	Wife	Both husband & wife	Others	
< 1000	Rural	33 (50.77)	11 (16.93)	17 (26.15)	4 (6.15)	31.96**
	Urban	4 (6.15)	23 (35.38)	32 (49.24)	6 (9.23)	
1000 – 5000	Rural	31 (47.69)	–	25 (38.46)	9 (13.84)	11.25**
	Urban	18 (27.69)	2 (3.08)	41 (63.08)	4 (6.15)	
> 5000	Rural	28 (43.00)	–	25 (38.46)	12 (18.46)	21.48**
	Urban	15 (23.07)	1 (1.54)	48 (73.85)	1 (1.54)	

(Figures in the paranthesis indicate percentage).

** Indicate highly significant.

Table 3: Factors considered while purchasing household equipment by rural and urban respondents according to their preferential ranking

S. No	Factors considered	Ranks given by the sample														Mean ranking	
		1		2		3		4		5		6		7			
		R	U	R	U	R	U	R	U	R	U	R	U	R	U	R	U
1.	Price	57 (86.60)	20 (30.76)	5 (7.69)	14 (21.53)	3 (4.61)	7 (10.76)	—	2 (3.07)	—	5 (7.69)	—	2 (3.07)	—	—	1.16	2.28
2.	Durability	4 (6.15)	14 (21.53)	49 (75.3)	21 (32.3)	5 (7.69)	4 (6.15)	3 (4.61)	9 (13.87)	1 (1.53)	2 (3.07)	1 (1.53)	—	—	—	2.22	2.29
3.	Appearance	—	3 (4.61)	5 (7.69)	3 (4.61)	21 (32.3)	6 (9.23)	14 (21.53)	12 (18.46)	7 (10.76)	7 (10.76)	—	4 (6.15)	3 (4.61)	—	3.49	4.78
4.	Safety	—	9 (13.84)	5 (7.69)	3 (4.61)	14 (21.53)	10 (15.38)	9 (13.84)	10 (15.38)	5 (7.69)	5 (7.69)	1 (1.53)	8 (12.3)	—	1 (1.53)	3.50	3.59
5.	Model	1 (1.53)	1 (1.53)	1 (1.53)	3 (4.61)	17 (26.15)	6 (9.23)	23 (35.38)	7 (10.76)	7 (10.68)	5 (7.69)	1 (1.53)	3 (4.61)	—	4 (6.15)	3.74	4.28
6.	Brand name	1 (1.53)	1 (1.53)	—	6 (9.23)	5 (7.69)	11 (16.93)	1 (1.53)	5 (7.69)	1 (1.53)	11 (16.93)	6 (9.23)	5 (7.69)	—	4 (6.15)	4.36	4.16
7.	ISI mark	1 (1.53)	5 (7.69)	—	5 (7.69)	—	5 (7.69)	1 (1.53)	—	1 (1.53)	5 (7.69)	2 (3.07)	7 (10.76)	6 (9.23)	13 (20.00)	5.82	4.70

Figures in the paranthesis indicate percentages.

‘r’ value - 0.9425

R – Rural U – Urban ** - Highly Significant

other members of the family taking decision in purchase of equipment was very much negligible both in rural and urban areas. The chi-square test indicated the significant association between the cost of the equipment and decision making pattern in rural and urban families at 1 percent probability level.

Table 3 clearly presents the equipment purchasing behavior of the rural and urban consumers according to ranking of preference given by the respondents to various factors while purchasing the household equipment. The ranking of preferences given to various factors depicts that both rural and urban respondents have given first rank to price (1.16 and 2.28 by rural and urban respondents, respectively) and second rank to durability.

2.22 and 2.28, rural and urban respectively of the equipment. The third and fourth ranks were given to appearance (3.48) and safety (3.50) by the rural respondents. It was vice-versa in urban respondents. Similar observation for ranking to model and brand name was noticed. It is interesting to note that both the groups gave last rank of preference to ISI mark. The correlation between preference of factors considered by rural and urban respondents while purchasing household equipment was statistically significant at 1 percent probability level with 'r' value of 0.94.

CONCLUSION

The consumer purchases a variety of goods and services to satisfy his/her wants and he is always influenced in his purchasing behavior consideration which lead him to select a particular commodity or a particular store in preference to others. The purchasing behavior is influenced by his/her education, socio-economic status, the locality, exposure etc. This study confirms that education of women, income of the family and the locality are the influencing factors for selection of the needed household equipment. The urban consumers are better choosers than rural consumers. Price and durability are considered first by most of the respondents in both localities while selecting the household equipment. Also it is clear from the study that both rural and urban women consumers gave least preference to ISI mark and it is essential to educate them about its importance.

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