

IMPULSE BUYING BEHAVIOUR OF MSME TOWARDS PURCHASING MACHNARIESBASED ON EXPORT WITH REFERENCE TO COIMBATORE DISTRICT

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ABSTRACT

Consumer perception and satisfaction deals with individual's buyer behaviour, when, why, how, and where they buy a product. It is a process by which consumers search for choice, purchase, use, and place of goods and services, in gratification of their requirements. It studies characteristics of individual consumers as well as groups, how consumer behaves in a particular situation. It is a psychological processes and an attempt to understand the buyer's decision making styles that consumers go through in identifying needs, finding means to solve these needs, making a purchase decision, understand information, make plans and instrument the plans. The main objective of the study is to analyse the satisfaction of customers towards direct marketing based on export in the outlets and acceptance towards performance of products of the companies. For this purpose a sample of 150 was collected from the customers of the companies were percentage analysis, descriptive statistics, factor analysis, Kruskal Wallis test and One-way anova were used as tools to analyse the data. The conclusion is that classification of products with the company's catalog and website is not user friendly to search and the same can be taken care by the employees of the companies.

Keywords: Impulse buying behaviour, Manufacturing companies, Satisfaction and Perception

1.0 INTRODUCTION TOWARDS CUSTOMER PERCEPTION

Many consumers today, regardless of their intention, are exposed to a great amount of information through both off-line and on-line advertising. Providing effective information in online environments can reduce consumer search costs and lead to consumers making optimal purchasing decision. A large body of research related to information or perceived risk exists in the marketing literature.

Their perception is an approximation of reality. Their brain attempts to make sense out of the stimuli to which we are exposed.

Factors in perception

Several sequential factors influence the perception. Exposure involves the extent to which we encounter a stimulus. For example, we are exposed to numerous commercial messages while driving on the freeway: bill boards, radio advertisements, bumper-stickers on cars, and signs and banners placed at shopping malls that we pass. Most of this exposure is random—we don't plan to seek it out. However, if we are shopping for a car, we may deliberately seek out advertisements and "tune in" when dealer advertisements come on the radio.

Exposure is not enough to significantly impact the individual—at least not based on a single trial (certain advertisements, or commercial exposures such as the "Swoosh" logo, are based on extensive repetition rather than much conscious attention). In order for stimuli to be consciously processed, attention is needed. Attention is actually a matter of degree—our attention may be quite high when we read directions for getting an income tax refund, but low when commercials come on during a television program. Note, however, that even when attention is low, it may be instantly escalated—for example, if an advertisement for a product in which we are interested comes on.

Theoretical background of the study

Every organization is an open system of management which means change is inevitable and is associated with environmental factors. Companies need to focus not only on USP of their products but also on the "Unique Consumer Perception" (UCP) of the final end users. It is often seen that some brands do extremely well compared to other brands having the same resources. The reason for the brands not to do well is probably the communications which does not reflect the consumer perception. So it is not the USP but UCP that plays an important role. This has led to the concept - "Consumer Perception is the Rule and not Consumer Satisfaction". Companies spend considerable amount on advertisement and in this world of competitive advantage advertisement has to be repetitive in nature. Brand hammering results in brand recall which is a costly affair. So companies need to understand the Unique Customer Perception to facilitate Advertising and Sales Promotional (ASP) efforts towards a better bargain.

The cost incurred on advertisement is huge i.e. if we refer to the 5 M's of advertising, Money is a budgetary constrain for an ideal advertising campaign. Thus UCP has to be rightly analyzed for better results by the manufacturing companies to match performance and expectation.

Perception

The perception of two individuals may differ even if they are exposed to the same stimuli, under the same conditions. People working in an organization could differ in many ways. They could differ in physical characteristics such as height, weight and complexion. They could also differ in background characteristics like level of education and training. But the most important difference could be in their perceptions. People respond to situations on the basis of their perception about reality rather than the reality itself. Perceptions may also differ from organization to organizations. Some organizations perceive that aggressive and dominating culture and the maintenance of conformity of all employees to certain beliefs and values is essential for their success. But some organizations perceive that cooperation, team culture and preservation of individual identities are crucial for their success.

NEED FOR THE STUDY

The impulse buying behaviour is total of a consumer attitude, preference, intention and decision regarding the consumer choice in the market place when purchasing a product and services. The consumer buying process is a multifaceted and many internal and external factors have an impact on the buying decision of consumer. Indian consumers have diametrically changed their shopping behaviour and impulse buying is emerging as a highly noticeable behaviour. Particularly the women consumers are buying in greater quantities of household belongings and personal accessories has become more of a habitual impulse purchase than a need-based purchase. This purchase behaviour opens the new market for all durables and non-durables, due to more disposable income in the hands of youngsters, mall culture weekend celebrations and shopping habits are influence more and more on their purchases, now they are not buying things based on requirements, that are quietly emotion based with this context, the role of buying plays a significant role for modern retailers and researchers. Thus, the purpose of this research to investigate the relationships that may exist among consumer's behaviour with respect to impulse buying behaviour of consumers.

OBJECTIVES OF THE STUDY

- To study about the demographic variables of the respondents.
- To evaluate the level of satisfaction through direct marketing based on export in the manufacturing companies.
- To analyse the acceptance of employees towards factors related to the manufacturing companies.

SCOPE OF THE STUDY

Impulse buying is an unplanned decision to buy a product, it interrupts the normal decision making behaviour of consumers. According to the studies conducted by researchers Impulse buying largely depends upon some of the resources like availability of money, time and physical and mental efforts. Impulsive buying behaviour is a broadly recognized spectacle which occurs in the attitude of consumer during purchase. It is up to 80% of all purchases in certain product categories, it was recommended that more purchases result from impulse than from planning. The study has examined the internal and external factors that influencing the employees to make the impulse purchases, consumers related factors like age, education, income of individual, income of the family and type of family has been taken into the study. As look over in literature and past chapters impulsive buying is significant phenomenon. Majority of the research on impulsive buying has been supported out in Europe, Egypt, Iran, Pakistan and America and very minimum researches has been carried out in India and especially in Coimbatore relating to employees. This study is confined to Coimbatore city. It is the third largest city of the state and has Coimbatore as the headquarters of a district of the same name. It is one of the most industrialized cities in Tamilnadu. Hence, the research will be focusing on impulse buying behaviour of employees.

RESEARCH METHODOLOGY

Research design: with the study is descriptive in nature.

Data collection: Both the primary and secondary data are collected and used in the present study.

Primary data: The primary data is collected from the respondents through questionnaire using survey method.

Secondary data: The researcher collected the secondary data from books, journals, web sites etc.

Type of sampling: Stratified random sampling method has been adopted for the selection of respondents in this study.

Sample size: A total of 120 samples were collected from the respondents and the respondents are those who are customers of the manufacturing companies.

Tools used for the study : a) Percentage analysis, b) Descriptive statistics, c) Kruskal-Wallis test, d) One-way anova and e) Factor analysis.

LIMITATIONS OF THE STUDY

- The sample size of the study is limited to 120.
- There may be a bias towards primary data collected from the respondents.
- Only one companies has been taken for the study.

ANALYSIS AND INTERPRETATION

		Frequency	Percent
Age	18 - 30 years	39	32.5
	31 - 40 years	27	22.5
	Above 40 years	54	45
	Total	120	100
Gender	Male	81	67.5
	Female	39	32.5
	Total	120	100
Educational qualification	High school	21	17.5
	Under Graduate	27	22.5
	Post Graduate	54	45
	Other	18	15
	Total	120	100
Marital status	Married	39	32.5
	Unmarried	81	67.5
	Total	120	100
Income level	Up to Rs. 10,000	39	32.5
	Rs.10,001 - Rs.30,000	15	12.5
	Rs.30,001 – Rs.50,000	48	40
	Above Rs.50,000	18	15
	Total	120	100

Out of 120 respondents 32.5% are between 18 - 30 years, 22.5% are between 31 - 40 years, 45.0% are above 40 years.67.5% are male, 32.5% are female.17.5% have completed high school, 22.5% have completed under graduation, 45.0% have completed their post-graduation, and 15.0% have completed education qualification.32.5% are married, 67.5% are unmarried.32.5% are earning Up to Rs. 10,000, 12.5% are earning between Rs.10,001 - Rs.30,000, 40.0% are earning between Rs.30,001 – Rs.50,000, and 15.0% are earning Above Rs.50,000.

SATISFACTION TOWARDS DIRECT MARKETING BASED ON EXPORT FACTOR ANALYSIS

A total of 11 variables were taken for the purpose of factor redemption of Direct marketing based on export.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.743
Bartlett's Test of Sphericity	Approx. Chi-Square	561.047
	df	55
	Sig.	.000

The Kaiser-Meyer-Olkin Measure of Sampling Adequacy is at 0. 743 which is greater than 0.5. It depicts that the KMO value is adequate and the factors are normally distributed.

Total Variance Explained			
Component	Initial Eigenvalues	Extraction Sums of Squared Loadings	Rotation Sums of Squared Loadings

	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.982	63.477	63.477	6.982	63.477	63.477	5.906	53.689	53.689
2	1.845	16.772	80.250	1.845	16.772	80.250	2.922	26.561	80.250
3	.801	7.281	87.531						
4	.570	5.178	92.709						
5	.367	3.338	96.047						
6	.138	1.251	97.298						
7	.105	.955	98.253						
8	.081	.737	98.990						
9	.059	.533	99.523						
10	.036	.331	99.854						
11	.016	.146	100.000						
Extraction Method: Principal Component Analysis.									

Interpretation

The components having Eigenvalue more than 1 are taken as components for the study. With the study the first component contributes 63.47%, the second component contributes 80.25%.

Rotated Component Matrix		
	Component	
	1	2
Quality of service given	.697	.185
The level of tolerance	.959	.069
Reliability based on their behaviour	.872	.065
Availability till the end of shopping	.801	.181
Attractiveness on showing demo	.877	.162
Uniqueness in style	.886	.254
Knowledge about the product	.513	.817
Smartlook and comfort	.375	.762
Delivery of information	.453	.824
Courtesy	.311	.909
Arrangement of products	.916	-.037

The common variables above 0.5 are taken for decision making process of the study. The variables are reliability based on their behavior (0.872), availability till the end of shopping (0.801)attractiveness on showing demo(0.877), uniqueness in style(0.886), knowledge about the product(0.817), anddelivery of information(0.824).

DESCRIPTIVE STATISTICS

SATISFACTION TOWARDS DIRECT MARKETING BASED ON EXPORT

	N	Mean	SD
DM1	120	3.25	1.276
DM2	120	3.45	1.218
DM3	120	3.15	1.167
DM4	120	3.30	1.114
DM5	120	3.05	1.260
DM6	120	3.15	1.1206
Valid N (listwise)	120		

The above table shows the descriptive statistics for the reduced factors using factor analysis of direct marketing based on export. It depicts that the respondents are satisfied towards reliability based on the behavior (3.25), availability till the end of shopping (3.45), and attractiveness on showing demo (3.15), also towards uniqueness in style (3.30), knowledge about the product (3.05) and also towards delivery information (3.15).

ACCEPTANCE TOWARDS THE FACTORS RELATED TO PURCHASING PRODUCTS

	N	Minimum	Maximum	Mean	SD
PP1	120	1	5	3.30	1.159
PP2	120	1	5	3.50	1.177
PP3	120	1	5	3.120	1.336
PP4	120	1	5	3.50	1.219
PP5	120	1	5	2.70	1.203
PP6	120	1	5	3.60	1.172
PP7	120	1	5	3.50	1.177

The above table shows the descriptive statistics for the reduced factors using factor analysis of purchasing products. It depicts that the respondents disagree towards having enough through direct marketing based on export in the store to help customers (2.70), and agree towards the service provided by the salesmen of Manufacturing companies which is making the customers to buy the products next time also (3.30), if concerning through direct marketing based on export is present in the shop most likely customers buy a product of Manufacturing companies again (3.50), also towards the preference to buy this brand for the convenience given by the through direct marketing based on export even though its price is 10% more expensive than other brands of the same product (3.12), towards the help that exist in manufacturing companies when looking for a product through direct marketing based on export (3.50), having enough knowledge to answer customer's questions in direct marketing based on export (3.60), and also towards the kindness and respect given to customers in Manufacturing companies through direct marketing based on export (3.50).

COMPARISON BETWEEN GENDER AND PERCEPTION AND SATISFACTION OF CONSUMERS TOWARDS PURCHASING PRODUCTS WITH REFERENCE TO MANUFACTURING COMPANIES

Ho1: There is no relationship between gender and level of satisfaction and acceptance towards the factors of purchasing products

	Gender	N	Mean Rank	Chi-Square	Asymp. Sig.
Level of satisfaction about direct marketing based on export by the companies	Male	81	19.61	0.487	0.485
	Female	39	22.35		
	Total	120			
Acceptance towards the factors	Male	81	19.87	0.244	0.621
	Female	39	21.81		
	Total	120			

There is no relationship between gender and level of satisfaction about direct marketing based on export by the companies (0.485), and acceptance towards the factors of purchasing products (0.621).

COMPARISON BETWEEN EDUCATIONAL QUALIFICATION AND PERCEPTION AND SATISFACTION OF CONSUMERS TOWARDS PURCHASING PRODUCTS WITH REFERENCE TO MANUFACTURING COMPANIES

Ho2: There is no significant difference between educational qualification and level of satisfaction and acceptance towards the factors of purchasing products

		N	Mean	Std. Deviation	F	Sig.
Level of satisfaction about direct marketing based on export by the companies	High school	21	3.81	.78269	5.348	.002
	Under Graduate	27	3.14	.97521		
	Post Graduate	54	2.90	1.10521		

	Other	18	3.61	.77822		
	Total	120	3.22	1.03512		
Acceptance towards the factors	High school	21	3.59	.81105	2.928	.037
	Under Graduate	27	3.22	1.03656		
	Post Graduate	54	3.16	.98790		
	Other	18	3.85	.92181		
	Total	120	3.35	.98470		

There is no significant difference between educational qualification and Level of satisfaction about direct marketing based on export by the companies (0.002), and Acceptance towards the factors of purchasing products(0.037)

FINDINGS

- Most of the respondents are above 40 years of age.
- Maximum of the respondents are male gender.
- Most of the respondents have completed post graduation.
- Most of the respondents are unmarried.
- Most of the respondents are earning between Rs.30,001 – Rs.50,000.

The respondents are satisfied towards reliability based on the behavior, availability till the end of shopping, and attractiveness on showing demo, also towards uniqueness in style, knowledge about the product and also towards delivery information.

The respondents disagree towards having enough through direct marketing based on export in the store to help customers, and agree towards the service provided by the salesmen of Manufacturing companies which is making the customers to buy the products next time also, if concerning through direct marketing based on export is present in the shop most likely customers buy a product of Manufacturing companies again, also towards the preference to buy this brand for the convenience given by the through direct marketing based on export even though its price is 10% more expensive than other brands of the same product, towards the help that exist in manufacturing companies when looking for a product through direct marketing based on export, having enough knowledge to answer customer's questions in direct marketing based on export, and also towards the kindness and respect given to customers in Manufacturing companies through direct marketing based on export.

Comparison between monthly income and perception and satisfaction of consumers towards purchasing products with reference to manufacturing companies machineries

Acceptance towards the factors

The respondents who are earning Up to Rs. 10,000, earning between Rs.10,001 - Rs.30,000, earning between Rs.30,001 – Rs.50,000 (3.20), and who are earning above Rs.50,000 agree towards the factors of purchasing products.

SUGGESTIONS

- As there are no proper laws for online purchases, they have to be implemented to prevent the anonymous intruders. This will help to maintain security and private information properly concerning the respondents. So the companies should take necessary steps to overcome this problem.
- Web based technologies upgrades creative conceptualization that would improve the response from technology savvy consumers. So the firms have to invest in such new technologies.
- The advertising environment has to be improved in the areas of art, dynamic and interactive techniques. This improvement will give more visual appeal.
- The classification of products with the companies catalog and website is not user friendly to search and the same can be taken care by the companies employees.

CONCLUSION

The conclusion is that classification of products with the companies catalog and website is not user friendly to search and the same can be taken care by the employees of the companies.

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