

ROLE OF FAMILY IN MAKING PURCHASE DECISION WITH REGARD TO DURABLE GOODS: A STUDY OF BHOPAL CITY

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ABSTRACT

Family plays a very important part in any purchase decision making process. As family is regarded as the primary influential reference group, which is almost always consulted before taking any purchase decision. It also plays a vital role in consumption and disposal of a product.

Keywords: Consumer Behaviour, Durable Goods, Initiator, Influencer, Family

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1. INTRODUCTION

The economic prosperity of Bhopal district lead to the creation of fresh commercial economic activities, not only for the people living within Bhopal but also for the people of surrounding areas to come and start their economic activities here. Changes in per-capita income, economic freedom and social-independence have influenced the standard of living amongst consumers in Bhopal. With the arrival of whole army of marketers with wide range of goods, the level of competition amongst sellers is very high. In this context, the main purpose of this study is to investigate the role played by family to influence the purchase decision making process of durable goods within Bhopal city.

The behavior of consumer at the time of selection of alternatives is mostly studied topics in consumer behavior research. For any marketer it is important to know the family structure, family consumption behavior and buying patterns, and also roles played by each member of the family for this line of products. The consumer behavior is influenced by the variety of factors which include both internal as well as external factors.

Internal factors include family back ground, financial position, opinions of friends and colleagues, personal likings and dis-likings, and role played by family.

External factors include advertising via electronic and print media, on the wall hording, over the counter displays, variety of schemes and discounts offered and other promotional tools used by the seller.

Amongst all the above factors, role played by family in buying decision making is one of the influential factors and of vital importance vis-à-vis the topic under study.

When it comes to role played by family in purchase decision making, there are multiple roles enacted within a household's buying process. The role played by one family member may be more important than the other one, depending upon various factors like product to be purchased, the situation faced, and the position of a member in a family. Also a single person may play multiple roles or many people play a single role for purchasing a product. As per Kotler, five important buying roles are identified as ⁽¹⁾:

1. **Initiator:** A person who first identifies a requirement and raises voice to get the same fulfilled.
2. **Influencer:** The person whose voice carries weight in making purchase decision.
3. **Decider:** This is the person who decides on any component of buying decision like- whether to buy or not, what, how and from whom to buy.
4. **Buyer:** The person who actually buys the product.
5. **User:** The end user for whom the purchase is made and who is supposed to consume it.

2. SCOPE OF THE STUDY

The present study is focused on the role played by family in purchase decision making process. The scope of the study is limited to Bhopal city only and involves four (4) selected durable goods- washing machine, television, refrigerators and computers. So the focus of the study is to determine the influence of family in making purchase of durable goods. The study is exploratory in nature. The focus of this research paper is to unearth from the families as to who act as initiator, and who act as influencer.

3. OBJECTIVES OF THE STUDY

As is evident from the title of this study, the major objective is to determine the role of family in purchase decision making process for durable goods in Bhopal city. The relative objectives of the study are as under:

1. To analyse who acts as initiator in family decision making process.
2. To identify who acts as influencer in family decision making process.
3. To give suggestions on the basis of findings.

Hypothesis: H₀₁ "There is no significant relationship between role played by an initiator in a family and purchase decision making process".

Hypothesis: H₀₂ "There is no significant relationship between role played by an influencer in a family and purchase decision making process".

4. LIMITATIONS OF THE STUDY

- Geographically, the study has been conducted in Bhopal City only
- Since researcher had a limited time, only selected goods could be brought under study.
- During the course of study, the researcher could use limited number of perspectives in order to make the research data manageable.

- Since the primary data has been collected directly from consumers, the margin for bias could not be over-ruled.

5. RESEARCH DESIGN AND RESEARCH METHODOLOGY

The study is based on primary data besides secondary data is also used and collected from secondary sources. In the course of research work the researcher has formulated a pre-tested well defined and closed end questionnaire which was distributed amongst 500 families (respondents) who were consumers for durable goods in Bhopal City of Madhya Pradesh. Stratified sampling method was adopted for data collection. During the Collection of data 28 respondents turned to be careless, irrelevant, and non-cooperative. The response they gave was not up to mark hence their responses are rejected thereby reducing sample size to 472 only. During the course of data evaluation of Questionnaires, it was found that in certain family's more than one member acted as initiator thus increasing the number of initiators to 510. It was further found during the course of evaluation of data gathered from 472 families that the number of family members who acted as influences were more than one in certain responses, thereby increasing the number of influencer family members to 495 for durable product under study. The primary data has been collected from the respondents mainly keeping in view relationship variables like the role play by each member of family in purchase decision making process of durable goods.

Initiator variable contains various sub-variables like son, daughter, father, mother, grandparents. Simultaneously Influencer also contains same sub-variables for analysis.

Simple percentage analysis, mean score analysis and correlation analysis has been used in this research study. To test the Hypothesis already set Chi-Square test has been used.

Hence forth, the paper is divided into 3 sections and each section will focus on particular objective already set.

SECTION 1

6. INITIATOR AND PURCHASE DECISION MAKING PROCESS

When it comes to buying decision making process, initiator is the person who first gives the idea about buying a particular product or service. It is the first step towards the whole complex process of buying decision making that starts with need recognition. Initiator is the one who feel the need to buy a particular product or service; it could be any member of the family viz., son, daughter, father, mother or even grand-parents.

Table 1.0 Characteristics of Initiator under Study

Characteristics	Frequency	Percent
Sex		
Male	230	45.10
Female	280	54.90
Age		
Less than 20 years	119	23.22
21- 30 years	135	26.54
31- 40 years	95	18.72
41- 50 years	75	14.69
51- 60 years	56	11.13
More than 60 years	30	05.70

Educational Qualification		
Upto 12 th class	154	30.20
Graduate	194	38.04
Post Graduate	107	20.98
Professional	55	10.78
Occupation		
Govt. Service	72	14.12
Own business	51	10.00
Self employed	71	13.92
Working in Private concerns	54	10.60
Retired	18	03.53
Housewife	107	20.98
Student	137	26.85

From the Characteristics table of Initiators in Table 1.0 it is clear that females dominate the males when it comes to playing role of initiator with 54.90% female initiators as compared to 45.10% male initiators. It is also evident from the table that on the basis of age the person who initiates buying of durable goods in the city of Bhopal are mostly in the age group of 21-30 years (26.54%) followed the persons in the age group below 20 years (23.22%). Further the family members in the age group of above 60 years (5.70%) have least contribution in initiating the buying process of durable goods. The Table under consideration also bring this reality to light that, the highest number of initiators for buying process of durable goods at Bhopal city were graduates with 38.04% followed by those who has studied up to class 12th with 30.20% and professionals were last in the list with only 10.78% and finally it is also worth mentioning that the students were highest number of initiators when it comes to the buying process of durable goods in Bhopal city with the 26.85% followed by house wife’s with 20.98% and retired persons were last in the list with only 3.53% acting as initiators.

Table 1.1 Family Member-wise Status of Initiators

Family member	Frequency	Percent
Son	132	25.89
Daughter	102	20.00
Father	91	17.83
Mother	158	30.98
Grand-parents	27	05.30
Total	510	100.0

Table 1.1 above depicts that out of 510 respondents Mothers are the highest initiators and act as an initiator in major purchase decisions of a family (30.98%) followed by Sons (25.89%) and Grand-parents with least percentage of 5.30%.

7. INITIATOR FAMILY-MEMBER VIS-À-VIS THE PRODUCT PURCHASED

A cross tabulation between the initiator family member and the product purchased done in order to know which family member initiate the purchase process for different products.

Table 1.2 Initiator Family-Member vis-à-vis Product purchased

Product Purchased	Son	Daughter	Father	Mother	Grand-parents	Total
	Number of Initiator Family Members					
Washing Machine	17 (13.49)	30 (23.81)	19 (15.08)	55 (43.65)	5 (03.97)	126 (100)
Television	51 (37.23)	32 (23.36)	26 (18.99)	20 (14.60)	8 (05.84)	137 (100)
Refrigerator	22 (16.54)	19 (14.29)	26 (19.55)	56 (42.10)	10 (07.52)	133 (100)
Computer	42 (36.84)	21 (18.42)	20 (17.54)	27 (23.68)	4 (03.52)	114 (100)
Total	132 (25.90)	102 (20.00)	91 (17.84)	158 (30.98)	27 (05.28)	510 (100)
Chi-Square = 57.39**						

** Significance Level at 0.05

For Washing Machines mothers has been highest initiators with 43.65% followed by daughters with 23.81% and lastly followed by grand-parents with mere 3.97%

For Televisions sons has been highest number of initiators with 37.23% followed by daughters with 23.36% and lastly followed by grand-parents with 05.84%.

For Refrigerators mothers has been highest initiators with 42.10%, followed by fathers with 19.55% and lastly followed by grand-parents with only 07.52%.

For Computers sons has been highest initiators with 36.84%, followed by mothers with 30.98% and lastly followed by grand-parents 03.52%.

While applying the Chi Square Test on the data of Tale 1.2 the statistical results are:

Calculated Value Of Chi-Square (χ^2)= 57.39 while as the table of the same at 5% significance level at 12 Degree of Freedom comes to be 21.026 which means the Null Hypothesis already set that is “There is no significant relationship between role played by an initiator in a family and purchase decision making process” Is rejected. That is there is a significant relationship between role played by an initiator in a family and purchase Decision Making.

SECTION 2

8. INFLUENCER AND PURCHASE DECISION MAKING PROCESS

When it comes to buying decision making process of durable goods, influencer is the person who has a greater say in the family decision. What an influencer does is the second and third stage of the 5 stage decision making process i.e., Information search and Evaluation of Alternatives. As the purchase of consumer durable product affects every member of the family, with the start of process of buying durable goods almost all family members get on the task of information search via., internet and suggestions from friends and colleagues or even class mates. And after sufficient information is available they try to look for better alternatives of a particular product.

Table 2.1 Characteristics of the Influencer

Characteristics	Frequency	Percent
Sex		
Male	240	48.48
Female	255	51.52
Age		
Less than 20 years	47	09.49
21- 30 years	105	21.21
31- 40 years	135	27.27
41- 50 years	116	23.43
51- 60 years	58	11.71
More than 60 years	34	06.87
Educational Qualification		
Upto 12 th class	77	15.56
Graduate	198	40.00
Post Graduate	128	25.85
Professional	92	18.59
Occupation		
Govt. Service	88	17.78
Own business	50	10.10
Self employed	35	07.07
Working in Private concerns	75	15.15
Retired	14	02.83
Housewife	93	18.79
Student	140	28.28

Gender Comparison: The results shown by the table 2.1 above clearly reveal that the role of males is more in influencing buying decision making process with 51.52% and females 48.48%.

Age Comparison: As per the table 2.1 above people in the age group of 31-40 years are more likely to influence the purchase decision making process with highest percentage of 27.27% followed by the age group of 41- 50 years with 23.43% and lastly followed by the age group of more than 60 years with only 06.87% of influence level.

Educational Qualification Comparison: The table 2.1 above clearly depicts that when it comes to influence on purchase decision making process of durable goods in Bhopal city, graduates top the rank with 40.00% followed by post-graduates with 25.85% and lastly followed by the respondents with only up to 12th standard education qualification with 15.56%.

Occupational Comparison: The table 2.1 clearly depicts that students are more likely to influence the purchase decision making process with 28.28% followed by house-wife with 18.79% and lastly followed by retired persons with only 02.83%.

Table 2.2 Family Member-wise Status of Influencers

Family Member	Frequency	Percent
Son	119	24.04
Daughter	114	23.03
Father	118	23.84
Mother	60	12.12
Grand-parents	84	16.97

Family Member wise comparison: As per the above table sons are likely to influence the purchase decision making process of durable goods in Bhopal city with highest 24.04%, followed by father’s with 23.84% and lastly followed by mothers with just 12.12% influence level.

9. INFLUENCER FAMILY MEMBER VIS-À-VIS PRODUCT PURCHASED

Table 2.3 Cross-Tabulation between the influencer family member and the product purchased by the family

Product Purchased	Son	Daughter	Father	Mother	Grand-parents	Total
	Number of Influencer Family Members					
Washing Machine	16 (13.79)	43 (37.07)	17 (14.66)	25 (21.55)	15 (12.93)	116 (100)
Television	42 (25.00)	38 (22.62)	27 (16.07)	15 (08.93)	46 (27.38)	168 (100)
Refrigerator	15 (13.51)	20 (18.02)	38 (34.23)	19 (17.12)	19 (17.12)	111 (100)
Computer	46 (46.00)	13 (13.00)	36 (36.00)	1 (01.00)	4 (04.00)	100 (100)
Total	119 (24.04)	114 (23.03)	118 (23.84)	60 (12.12)	84 (16.97)	495 (100)

Chi Square = 109.97**

** Significance level 5%.

While applying the Chi Square Test on the data of Tale 2.3 the statistical results are:

Calculated Value Of Chi-Square (χ^2)= 109.97 while as the table of the same at 5% significance level at 12 Degree of Freedom comes to be 21.026 which means the Null Hypothesis (H0) already set that is “There is no significant relationship between role played by an influencer in a family and purchase decision making process”, is again rejected. This means that there is a significant relationship between role played by an influencer in a family and purchase Decision Making process.

Washing Machines: Daughters has been highest number of influencers for Washing machines with 37.07%, followed by mothers with 21.55% and lastly followed by grand-parents and sons with 12.93% each.

Television: Grand-parents has been highest number of influencers with 27.38%, followed by sons with 25.00% and lastly followed by mothers with only 08.93%.

Refrigerator: Fathers has been highest number of influencers with highest 34.23% followed by daughters with 18.02% and lastly followed by sons with just 13.51%.

Computers: Sons has been highest influencers with 46.00%, followed by fathers with 36.00% and lastly followed by mothers with 01.00%.

SECTION 3

10. CONCLUSION AND SUGGESTION

The current research work is concluded with the remarks that while family members play a vital role in purchase decision making process of durable goods in Bhopal. The study revealed the following:

- Females act as more initiators in comparison to male family member.
- Age of a family member also determine his role in purchase decision making and the people with in the age group of 21-30 act as more initiators.
- Educational qualification also has impact and graduate family members act as more initiators in comparison to other qualifications.
- Occupation with which a person is attached also determine his role and in the present study we came to know that students act as vigorous initiators.
- When it comes to the status of family member research revealed that mothers followed by sons act more as initiators.
- When it comes to the purchase decision making with regard to a particular type of goods females (daughter) initiate for purchase of washing machine and refrigerator, while as males (sons) initiate for purchase of LCD TVs and Personal Computers.
- Female family members act more as influences in comparison to males.
- The age group in which influences are more active 31-40 years
- Education qualification wise Graduates are leading with maximum number of influencers.
- Occupation wise, students top the list followed by house wife's as influencers.
- Family status wise sons lead the race followed by fathers

On the basis of above finding following suggestions are put forth:

In case of washing machines, the marketers should focus more on female folk especially house wife's. When it comes to the marketing of Personal Computers sons should be made focal point. For marketing of LCD TVs daughters should be targeted. For Refrigerators, fathers should be kept in mind.

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