BRAND LOYALTY AMONG REFRIGERATOR USERS IN ERODE DISTRICT

P. Mohanraj*, Dr. P. Komarasamy** and N. Loganathan***

*Assistant Professor in Management Studies, Nandha Arts and Science College, Erode.
**Assistant Professor in Business Administration, Government Arts College, Karur.
***Research Scholar in Management, Bharathiar University, Coimbatore.

ABSTRACT

In today's competitive world, marketing of products and services has become a challenge for the marketers. Corporates are constantly in search of finding a solution for marketing problems. Many researchers have found that it is prudent to retain the existing customers than to create new customers. In such circumstances the retention of existing customers has been the core function of marketers. The brand loyal consumer does not attempt any kind of attribute evaluation that simply chooses the familiar brand on the basis of some overall positive feelings towards it. This overall positive evaluation stems from past experience with the particular brand under consideration. Thus brand loyalty is a function of both behavior and attitudes. It is a consumer’s preference to buy a particular brand in a product category.

INTRODUCTION OF THE STUDY

Brand loyalty is the strength of preference for a brand compare to other similar available options. This is often measure in terms of repeat purchase behavior or price sensitivity. The brand loyalty exists when customers have a high relative attitude toward the brand exhibited through repurchase behavior. This type of loyalty can be a great asset to the firm; customers are willing to pay higher prices, may cost less to serve and can bring in new customers to the company. The retention of customers is dependent upon the level of satisfaction for the customers and how loyal they are to a particular brand. By and large the Indian consumer durable industry is a vast industry of this country. Of which, the white goods industry has been growing at an average pace of 10-12 percentage every year for the last five years. There have, of course been some good and bad years. Refrigerators from the largest segment of this industry and is estimated at about 3 million appliances. The refrigerator industry is growing at a rate of 10 to 12 percentage.

NEED OF THE STUDY

India’s consumer market is raising the crest of countries economic boom. With access to disposable income, easy finance option, study income gains the consumer purchase decision has been influenced significantly. The demand for white good i.e. refrigerator has been increasing consistently.
due to presence of organised retail, expansion into new segments, product affordability focus on 
energy-efficient and environment-friendly products. There are various brands in the Indian market 
who are dealing with refrigerators like Godrej, Whirlpool, Samsung, LG, Blue-star, Videocon and 
Hitachi. The purchase decision related to the goods depends on various factors like brand, quality, 
after sales services, warranty, advertising, rebates, offers, discount, mode of payment, display, sales 
person behaviour, store location and many more. Efforts have to be made by the marketer to plan the 
optimum combination of the factors that can increase the sales of their products. Well framed 
strategies will thus, contribute for the above. The consumer should know about products usage and 
benefits. The study helps in conveying message about the product offering to the consumers, creating 
demand, market positioning, make a decision related to buy a product.

STATEMENT OF THE PROBLEM

Today's market has changed from the traditional sellers' market to a buyers' market. In the early 
days sellers enjoyed monopoly and therefore, the buyers had to accept the goods as it is. The market 
was seller-directed. The sellers determined the price. However, the market has witnessed a paradigm 
shift in the recent days. Now, the market is directed by the buyers. They command the suppliers 
regarding product specification and price. Hence, today's market can be termed as buyers' market 
where sellers are more in number and perfect competition prevails. In such a competitive atmosphere 
the suppliers struggle to retain their share in the market. They attempt to expand the customer base by 
satisfying all their needs by offering the best of services. The sellers also try to attract more new 
customers by introducing certain offers. In this context the manufacturers and sellers conduct 
extensive market research. The major findings of such surveys reveal that building brand loyalty 
would be a better solution to retain the existing market share.

REVIEW OF LITERATURE

Dasar et al., (2013) explained that consumer is nerve centre of the modern marketing, 
understanding his behaviour is quite essential for efficient and effective marketing management. 
Customers may state their needs, wants but act otherwise. They may not be in touch with their deeper 
motivations. India’s consumer market is riding the crest of the country’s economic boom. Driven by a 
young population with access to disposable incomes and easy finance options, the consumer market 
has been throwing up staggering figures. Marketing problem enhancing from the consumers’ 
behaviour has a greater degree of similarity behavioural problems relating to the consumer durables. 
Hence, the present study has been chosen to identify and ascertain the extent of problems of consumer 
behaviour have an impact on the marketing of consumer durables in the fast growing Bijapur District 
(Karnataka State). The consumer behaviour in relating to consumer durables is strongly affected by 
some economic, social, cultural and psychological factors; the present research has been selected for 
an intensive empirical survey of the various factors influencing the buyer’s behaviour on consumer 
durables in Bijapur District (Karnataka State). Soni and Verghese (2013) in their study explained that 
the emerging business scenario various promotional techniques are used by the marketer for 
influencing the purchase decision of their consumers. Sales promotion, a key element of promotional 
mix has been widely used to sustain competitive advantage, increase sales and stimulate consumer 

1 Mr. Paramanand Dasar, DR. S.G. Hundekar and Mr. Mallikarjun Marad, “consumer behaviour on consumer 
durables with reference to Bijapur District”, G.J. C.M.P., Vol.2(1) 2013:36-46

2 Soni Neha and and Verghese Manoj, “Impact of Sales Promotion Tools on Consumer’s Purchase Decision 
towards White Good (Refrigerator) at Durg and Bhilai Region of CG, India”, Research Journal of Management 
purchase decision, is becoming a valuable tool for marketers to influence purchase decision. Through this study, an effort has been made to find out the various sales promotion tools and its impact on purchase decision towards white good (refrigerator). For conducting the research, data was collected through convenience sampling of 109 respondents through descriptive research design technique. Later the data was analysed and the hypothesis was tested by using multiple regression technique. The result shows that among the various sales promotion tools: offer, premium and contest are the most influencing variables for consumer purchase decision.

RESEARCH METHODOLOGY

Research Design is the conceptual structure within which research is conducted. The research describes the existing state of affairs of the refrigerators in Erode district. The research constitutes the collection of data, measurement and analysis of data. The data are collected in both way i.e., primary and secondary data. Primary data are those, which are collected afresh and for the first time, thus it is original in character. The secondary data, on the other hand are those, which have already, been collected by someone and which have already been passed through the statistical process. In the study, primary data was collected from the respondents using interview schedule. Secondary data was collected from the magazines and internet. The study was conducted with a sampling size of 300 respondents. Convenient sampling was adopted for the collection of data. Correlation and regression analysis was used for further analysis.

CORRELATION ANALYSIS

Correlation has been applied for finding the degree of relationship or interdependence of two sets of variables upon each other in such a way that the changes in the value of one variable are in sympathy with the changes in the other. The relationship between the selected independent variables and the dependent variable, loyalty towards various brands of refrigerators has been measured using correlation.

TABLE NO. 1
CORRELATION ANALYSIS BETWEEN SOCIO ECONOMIC FACTORS AND BRAND LOYALTY

<table>
<thead>
<tr>
<th>No.</th>
<th>Variables</th>
<th>Correlation (r)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Sex</td>
<td>0.148*</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>-0.010 NS</td>
</tr>
<tr>
<td>3</td>
<td>Marital Status</td>
<td>0.255**</td>
</tr>
<tr>
<td>4</td>
<td>Educational Qualification</td>
<td>0.124*</td>
</tr>
<tr>
<td>5</td>
<td>Occupation</td>
<td>0.129*</td>
</tr>
<tr>
<td>6</td>
<td>Monthly Income</td>
<td>0.203**</td>
</tr>
<tr>
<td>7</td>
<td>Family size</td>
<td>-0.058 NS</td>
</tr>
<tr>
<td>8</td>
<td>Type of refrigerators</td>
<td>0.246**</td>
</tr>
<tr>
<td>9</td>
<td>Period of using</td>
<td>0.134*</td>
</tr>
</tbody>
</table>

Note: ** - Significant at 1% level; 
* - Significant at 5% level; NS – Not Significant
It is inferred from the above analysis that among the nine selected independent variables, sex, marital status, educational qualification, occupation, monthly income, type of refrigerators and period of using the refrigerators are statistically significant at 5 percent and 1 percent level with positively. The variables age and family size is not having any association with the level of brand loyalty. Hence, it is found that the variables sex, marital status, educational qualification, occupation, monthly income, type of refrigerators and period of using the refrigerators are having positive correlation.

MULTIPLE REGRESSION ANALYSIS – CONSUMER SATISFACTION

In order to measure the interdependence of selected nine independent factors and their satisfaction, the results were subjected to multiple regression analysis. The results of multiple regression analysis are shown in Table No. 2.

**TABLE NO. 5.42**
MULTIPLE REGRESSION ANALYSIS - CONSUMER SATISFACTION

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Variables</th>
<th>Unstandardized coefficients</th>
<th>Standardized coefficients</th>
<th>T</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(Constant)</td>
<td>0.029</td>
<td>0.052</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Sex</td>
<td>-0.053</td>
<td>-0.136</td>
<td>-4.325</td>
<td>1%</td>
</tr>
<tr>
<td>2</td>
<td>Age</td>
<td>0.002</td>
<td>0.003</td>
<td>0.320</td>
<td>NS</td>
</tr>
<tr>
<td>3</td>
<td>Marital Status</td>
<td>-0.046</td>
<td>-0.075</td>
<td>-2.414</td>
<td>5%</td>
</tr>
<tr>
<td>4</td>
<td>Educational Qualification</td>
<td>0.063</td>
<td>0.090</td>
<td>2.864</td>
<td>1%</td>
</tr>
<tr>
<td>5</td>
<td>Occupation</td>
<td>0.067</td>
<td>0.085</td>
<td>2.700</td>
<td>1%</td>
</tr>
<tr>
<td>6</td>
<td>Monthly Income</td>
<td>0.131</td>
<td>0.092</td>
<td>2.864</td>
<td>1%</td>
</tr>
<tr>
<td>7</td>
<td>Family size</td>
<td>0.100</td>
<td>0.063</td>
<td>2.026</td>
<td>5%</td>
</tr>
<tr>
<td>8</td>
<td>Type of refrigerators</td>
<td>-0.005</td>
<td>-0.004</td>
<td>-0.505</td>
<td>NS</td>
</tr>
<tr>
<td>9</td>
<td>Period of using</td>
<td>0.111</td>
<td>0.094</td>
<td>2.965</td>
<td>1%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>R-Value</th>
<th>R^2 –Value</th>
<th>Degree of freedom – V₁</th>
<th>Degree of freedom – V₂</th>
<th>F Value</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.961</td>
<td>0.924</td>
<td>9</td>
<td>290</td>
<td>1094.67</td>
<td>1% Level</td>
</tr>
</tbody>
</table>

It shows that independent variables contribute about 92.4 per cent of the variation in the consumer satisfaction by the selected sample respondents and this is statistically significant at 1% level and 5% level respectively.

The table indicates that the co-efficient of educational qualification, occupation, monthly income, family size and period of using are positively associated with the consumer satisfaction among the selected sample respondents. On the other hand, the co-efficient of sex and marital status
are negatively associated. Further, the co-efficient of age and type of refrigerators are not associated with the consumer satisfaction.

Thus from the above analysis, the consumer satisfaction towards refrigerators is positively associated with their educational qualification, occupation, monthly income, family size and period of using in the study area.

SUGGESTIONS

- The refrigerator company should also facilitate with suitable spare parts for their products in case of damages.
- While installing the refrigerators they face difficulty with regard to stand, which is required for it. Most of the company’s manufacturing refrigerators are not involved.
- Most of the respondents feel that even smaller refrigerator can be introduced with minimum capacity than the usual size. So the companies can consider this factor and can start producing products with less capacity also.
- Source of information reveals, family members and friends have given many tips to select the brands. Hence it is suggested that an attractive advertisement should be displayed in Television and placing Hoardings in the main junctions will help the prospective buyers to select a particular brand of cement.
- It is suggested that the reasons for the switch over should be identified and try to retain the customers with one particular brand through augmented services.

CONCLUSION

Consumers are now able to compare many features in the commodities like quality, price, and value for money, service, durability and brand image etc., to decide which product they want to buy for their need satisfaction. Once customers are satisfied with a particular product/brand, they purchase the product repeatedly. When a customer repeatedly purchases a product, showing favorable attitude towards the brand, he will be a loyal customer to the brand. Many marketers have started highlighting the product features with specific brand names in the commodity market helping the consumers differentiate and choose the products which best suited their requirement. If the company produces high quality refrigerators, loyalty on particular company brand of refrigerators become much easier and the marketing mangers may not face any problems in achieving the target.

REFERENCES