

## **CHAPTER SIX**

### **PRESENTATION OF DATA : ANALYSIS OF THE CONSUMER DECISION PROCESS - MOTIVATORS IN PRODUCT AND BRAND PURCHASES**

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This chapter and the following makes a detailed analysis of the consumer decision making process. This chapter discusses the results of the analyses that was undertaken to explain the motives for product and brand purchase. The subsequent chapter discusses all the corollaries of the behavioral process. The third chapter presents a detailed description of the objectives of the research. In both the chapters, the first section discusses the results on the behavioral process of the rural and urban in the two states and the second section discusses the results on the same but pertinent to the consumers in the three social classes. The discussion ensues separately for each of the product classes. All the results are presented in Annexure B.

#### A. Rural Urban Comparison Between the States

The behavioral process is analyzed through Two Way Analysis of Variance, and by working out percentages. Wherever the Two Way Anovas have been performed, the discussion is restricted to the following.

Firstly, an observation is made to ascertain whether differences or similarities exist between the consumers. This is carried out on the basis of the significance or non-significance of the interaction effect and main effects. In order to conclude that differences exist between the consumers, either the interaction effect or any of the main effects should be significant. If none of them are significant, it is concluded that there are no differences between the consumers. That is, if all the effects are non-significant, it is concluded that the consumers are similar.

In order to test the significance of the effects, firstly, it is ascertained whether the interaction effect is significant. Only in the absence of the interaction effect, are the Dependent Variables(DVs) tested for the presence of any main effects, that is, whether any of the main effects are significant or not. There are two Independent Variable(IVs): (i) the characteristics of the state, and (ii) the characteristics of the region.

Significance of the interaction effect for a particular DV implies that, both the IVs are responsible for the differences between the consumers. That is, the characteristics of the state, and of the region together explain the differences between the consumers for that particular DV. Henceforth, wherever the joint effect of the state and of the region is observed for a particular DV, it is simply stated as an observation of an interaction effect.

Significance of the main effect could be either due to the characteristics of the state or of the region. If there is a main effect due to the characteristics of the state, it implies that the consumers of the two states, that is consumers of Gujarat irrespective of whether from the rural or urban, differs from those of Kerala. Henceforth wherever such main effects are ascertained, the position is described as main effect due to state characteristics. Significance of the main effect for a particular DV could be due to the regional characteristics. This implies that the consumers of the two regions, that is, the

consumers of the rural and the urban regions differ from one another, irrespective of the state to which they belong. Henceforth this kind of main effect is termed as a main effect due to the region. It needs to be noted that even if there are no significant interaction effects, it is probable that both the types of main effects could be significant.

In all the tables, significance of the interaction or main effect is denoted as "Yes", and the non-significance as "No". As already stated, the significance of the interaction effect nullifies the need to test for the presence of any main effect. Non-significance of all the effects imply that, the impact of that particular DV is similar among all the consumers. Anovas have not been performed on some of the DVs, if the response among all the consumers have been uniform.

Secondly, on the basis of R squared (multiple co-efficient of determination) total variation of the DV explained by both the IVs is presented, along with the relative importance of each of the IVs in explaining variation in the DV given by the respective beta values.

A detailed description of the analyses and the hypotheses is presented in the preceding chapter.

Lastly, a detailed discussion ensues on the differences or similarities between the rural and the urban consumers, irrespective of the presence of an interaction effect or main effect. The discussion is based on the parameter value estimated for every DV. That is, for each DV, the mean value for the rural consumer is compared with the mean value of the urban. The mean value is employed not to quantify the behavior of the two consumers but to emphasize the direction of the similarity or contrasts between them, and the probable underlying reasons for the same. The direction of the behavior is ascertained firstly, by discussing which of the DVs has a greater impact on the rural when compared with the urban, and vice versa. Secondly, a comparison of the order of importance of all the DVs for the rural consumers vis-a-vis the urban, is carried out, based on the comparison of the mean values.

#### 1) What Drives Product Purchase ?

Each of the five product classes has been tested for the similarities/differences on six factors. Each of these factors has been tested independently of others. Each is considered as the Dependent Variable(DV), and the state and region as the two Independent Variables(IVs). The DVs are tested for the extent of influence they exercise on the consumers of the two states and of the regions, while a product decision is being made. **Table 6.1 presents the results of the Two Way Analysis of Variance tests performed.**

#### a) Transportation Class

Four factors (four DVs), namely, price, peer group, normative behavior, and family, have an interaction effect. There is no difference in the extent to which aspirations influence the consumers. Anova was not performed on the extent to which the functional value of these products affects product decision making. Excepting for the DV- price, the total variation is inadequately explained for all the other DVs. The two IVs explain 42.1 percent of the variation in price. Between the two IVs, it is observed that the characteristics of the state are relatively more important in explaining the variation on three DVs, which are, price, peer group, and normative behavior. The characteristics of the state and of the region are equally important in explaining the differing influence of the family on product purchases in the transportation class.

The rural consumers are more influenced by the price of the products, and also by their peer group, than their urban counterparts. **This implies that a rural consumer is more likely to purchase a cheaper substitute, while at the same time ensuring that her/his peers have also purchased the same cheap substitute.** The greater influence of the peer group implies that the desire to emulate the peers in purchase decision in these products is greater among the rural consumers. It also needs to be stressed that if the rural consumer, like the urban counterpart, were to perceive that s/he is expected to possess a product of this class, s/he would be inclined to purchase it. Yet at the same time it needs to be noted that, the aspirations of the rural consumer does not influence her/him any differently from the urban.

Among the six factors, the first four factors that are important among the rural consumers in inducing purchase of products in this class are: functional value of products, peer group, normative behavior, and price. For the urban consumers, the order of the first three factors remain the same as for the rural. But, the urban consumers do not accord as much importance to price as do the rural. It also needs to be noted that the urban consumers place a higher order of importance to their desire to identify in a higher stratum. This is evident by the importance placed on their aspirations while making a product choice. Aspirations have a similar extent of influence on both the consumers but yet the urban consumers would be more prone towards purchase of a product in this class which would have some "high" social value to them. This implies therefore, that the societal forces have a greater influence on the urban consumers while making a purchase decision in this product class.

Hence the foregoing analysis implies that while there is a convergence on the order of importance of the influence of the peers and the perceived norms on both the consumers, **the rural consumer relies on emulative behavior to a greater extent than the urban.** Moreover, a departure in the influence of price is discernible, while at the same time a convergence of the aspirations is implied. In spite of the convergence in the manner in which aspirations influence both the consumers, the aspirations of the rural consumer would take a back seat, were the product to be

expensive; while for the urban, inspite of price differentials, aspirations would assert themselves. In fact, **for the urban consumer, price is the least influencing factor from among all the six factors studied**, even less influencing than the family. But for the rural consumer the family is the least important from among all the six factors. Total convergence, by which is implied not only the extent to which the urban and the rural consumers are influenced by a factor but also the order of importance of the factor among all the six factors for the respective consumers, is observed only on the extent to which perceived norms influence decision making. For both the consumers, norms of the society influence decision making only on being influenced by their peers. This implies that when consumers observe that their peers have purchased a transportation product, they assume that it behoves them to do the same. Primarily though, in order to engage in a purchase behavior both the consumers need to be completely convinced that it has a functional value.

#### b) Entertainment Class

**Five factors, namely, the functional value of the entertainment class of products, price, peer group, aspirations, and family, all have an interaction effect. The differences in the extent of influence exerted by perceived norms is discernible only due to the regional characteristics.**

The total variation that is explained by these two IVs for price is 31.3 percent. Total variation explained by the two IVs for two factors, namely, peer group, and family is above ten percent, while variation is inadequately explained by the two IVs for normative behavior, and aspirational influence. Between the two IVs, it is observed that the regional characteristics are relatively more important in explaining the variation in the functional value of these products, and aspirations of the consumers. Variation on three factors, namely, peer group, price, and family, are better explained by the characteristics of the state than of the region.

The influence of the functional value of the products, their price, aspirations, and the influence of the family is greater among the rural consumers than among the urban consumers. There is greater influence of the peers, as well as of the perceived norms on the purchase decision of these products among the urban consumers than among the rural. The rural consumers are more likely to purchase these products, given that they are completely convinced on the functional value of these products, firstly, if members in their peer group have purchased this product, secondly, if the price is not "exorbitant", thirdly, if they perceive that they are expected to purchase these products. They are observed to be influenced to almost a similar extent by the perceived norms as by the price factor. Aspirations of the rural consumers have the least effect from among all the other factors. In fact, it is observed that the family influences to a greater extent than their aspirations to identify with the "high" class, which is contrary to what was observed in the purchase behavior for the transportation products. Among the urban consumers, the order of importance of the functional value, and the peer group is

similar to that of the rural consumers. As observed for the transportation product class, in this class of products too, the urban consumers place a higher order of priority on meeting the perceived norms, rather than on price. At the same time, it needs to be noted that while price had the least importance for the urban consumers when making a product decision on transport products, price has a higher order of importance as an influencing factor on purchase decision of entertainment products. For these consumers, the influence of the family has the least priority.

**Therefore, it can be concluded that the similarity between the rural and the urban consumers lies in the order of importance of four factors: functional value, influence of the peers, perceived norms, and lastly price. Differences between them lies in the extent to which these factors influence them. As already state, functional value and peers have a greater influence on the rural consumers, and the other two factors have a greater influence on the urban. Moreover, differences between these two consumers is also observable in the total divergence of the influence of aspirations, and price. By total divergence is implied that, not only is the extent of influence of the factor different between the two consumers, but the orders of importance of the factors is also different.**

What needs to be stressed on the purchase behavior of rural consumers on these products is the relative importance of the perceived norms of the society from among the factors that influence their decision making and especially over the economic factor; and also the greater influence of the desire to be identified with the "high" class, when compared to the urban consumers. The greater influence of the aspirations on the rural consumers implies that they are more induced than their urban counterparts to purchase these products since they have the desire to be identified with the "high" class. Purchases therefore, are motivated not only by the desire to emulate the peers but at the same time to be identified in a higher stratum. Hence, when compared to the decision making style for transportation products, it emerges that decision making of entertainment products for a rural consumer is more influenced by the societal forces. Moreover, another important conclusion is the greater influence of the family not only when compared to the urban consumers but also in the order of influence among the six factors influencing these consumers themselves. It implies that family has a greater potential to influence the purchase of entertainment products, and this viewed in conjunction with the influence of the societal forces, only re-enforces the conclusion that the economic factor can be considered to be of a low order priority among them. Lastly, an equally important conclusion is the fact that among the rural consumers, there is a complete conviction on the functional value of these products, while the same is not observed to a similar extent among the urban consumers. There are two probable reasons for this difference. One could be because of the variety of sources through which people can derive entertainment in the urban regions, while the choice if at all exists, is limited in the rural regions. Hence, this may probably lead to a complete conviction on the functional value of the products, among the rural consumers, while the same is not observed to a similar extent among the urban. The second reason could probably be due to the limited purchasing power of the

rural consumer vis-a-vis the urban. The limited purchasing power restrains the rural consumers from purchasing products which perform the same function, that of entertaining, but are higher priced. Therefore, it is concluded that given the limited purchasing power and the need to be entertained, the rural consumers are more influenced by the functional value of these products than the urban.

#### c) Personal Effects/Use Class

**In the personal effects or use class, interaction effects are observed on the extent of influence exerted by four factors, namely, price, normative behavior, aspirations, and family. The difference in the extent to which the functional value of the products motivate purchase is solely due to the characteristics of the states, while the regional characteristics are the sole cause for the variation in the extent of influence exerted by the peer group.**

Total variations though, in none of the factors are explained adequately by the two IVs. The extent of influence of price, and that of the family, is better explained by the characteristics of the states than of the regions; while variation in the extent of influence of perceived norms and aspirations are better explained by the characteristics of the regions.

All the factors, excepting the functional value of the products, have a greater influence on the rural consumers than on the urban. A similar order of importance of factors, as that observed in the entertainment class of products is observed among both the kinds of consumers in this class of products too. **Peer group influence is so perceived by the rural consumers as to submerge the influence of the price factor.** Yet, price does have a certain "intervening" effect on the purchase decision. This is concluded because of the importance attached to the price factor. Although peers are more important in decision making, the "intervening" influence of price is evident from the importance attached to this factor over all the other factors. Hence, for this class of products it could be said that although societal influences are evident in purchase decision because of the influence of the peers, societal influences does not submerge the influence of price completely.

#### d) Home and Kitchen Appliances Class

**Interaction effects are discernible on all factors except for the extent of influence of the normative behavior. The differences that are evident in this factor, that is normative behavior, are solely explained by the characteristics of the states.**

Variation on none of the factors is sufficiently explained by these two IVs. Variation in the extent of influence of price, peer group, and family is explained above 10 percent by the two IVs. The extent of influence of the functional value of these

products in buying decisions, and the extent of influence of price are explained to an almost equal degree by both, the characteristics of the states and of the regions. The variation in the extent of influence of peer group is better explained by the regional differences; variations in the extent of influence of family and aspirations are better explained by the characteristics of the states.

Family and normative behavior influence the urban consumers to a greater extent than the rural, while the influence of the other factors are greater for the rural consumers than the urban. For the two sets of consumers, there is a divergence in the order of importance of all factors excepting for the place given to the functional value of the products. Given the influence of the primary need for a complete conviction of the functional value of the product, **the emulative behavior seems to have again scored over the influence of price among the rural consumers. Moreover, the lesser influence of price is clearly observed among these products.** Once the rural consumer observes that the peers have purchased these products, s/he assumes it is incumbent that s/he purchase these products. Therefore, it is clearly visible that **price does not "intervene" in the influence between the peers and those of perceived norms.** Price though, decides on the extent to which family or the aspirations of the consumers can swing in favor of a product purchase. This is implied through the order of importance that is given to price, which is higher than that of family, and aspirations. Aspirations have the lowest order of priority among the rural consumers.

On the other hand, the urban consumers buy these products, over and above the functional value that it offers, more due to the expectations that they perceive than to emulate their peers, which are more important to the rural consumers. The more important divergence in the behavior of the two consumers is in the following manner: while the rural consumers are influenced by the desire to emulate, and then assume that they are expected to make this product choice in order to identify with the peer group or in other words, to identify in the same stratum that they presently are in; the urban consumers are more prone to buy these products because of what they perceive rather than what they observe their peer group to be doing. This is in spite of the fact that the extent of influence of the normative behavior is similar between the two consumers. Price has an "intervening" influence on the rural consumers in so far as the influence of the family and the consumers aspirations are concerned. A similar "intervening" influence of price is not observed among the urban consumers- where price differential has the lowest order of priority.

#### e) White Goods

**All factors, except for the extent of influence exerted by price, and aspirations have significant interaction effects. The extents of influence exerted by these two factors are solely dependent on the characteristics of the states.**

As in the brown goods category, variation is insufficiently explained by the two IVs.



The total variation explained, in the extent of influence of price, peer group, and family, is above 10 percent. The variation of the extent of influence of aspirations is explained upto 9.8 percent. The variation in the extent of influence exerted by the functional value of these products, peer group, normative behavior, and the family are relatively better explained by the characteristics of the states than of the regions.

The differences that are observed between the rural and the urban consumers are unique as compared to what has been concluded so far. The differences that are observed are not in the order of importance of these factors in decision making of a white good, but the extent to which they influence the rural and the urban consumers.

The divergence of the behavior of the consumers on what has been concluded so far for brown goods, rests on the observance of which factors have a greater influence among the urban vis-a-vis the rural consumer. In this class of products it has been observed that the functional value influences the urban consumer to a greater extent than the rural consumer; while the extents of influence of the peer, and the norms is greater among the rural consumers. Moreover, an important observation needs to be taken note of, that of similar extents of influence of price and aspirations among both the consumers.

**It clearly emerges therefore, that the rural consumer is more easily persuaded to buy these products due to societal forces than the economic or the functional considerations of the product, even though aspirations and price influence both the types of consumers to a similar extent. Moreover, the departure in the behavioral pattern of the rural consumers has also been observed in the kind of societal forces that are important to induce purchase. Among the brown goods, it had been observed that the desire to emulate was stronger than other societal needs; while on the other hand, the behavior shifts from the desire to emulate the peers to the desire to identify in a given stratum. When this shift is observed in conjunction with the extent to which aspirations influence product purchase, it is probable that the over-riding desire to identify in a given stratum would be because of this increased need to be identified in the "high" class. This conclusion has been arrived at on basis of the following rationale: in the purchase of brown goods the need to identify with a higher stratum though existent has not been as strong. Moreover, the influences of the emulative behavior of the peers have been stronger than the desire to meet societal expectations. Therefore, it is concluded that because of the increased importance of the aspirations, that is the need to be identified in a higher stratum, of the consumers, the perceived societal expectations have been modified in order to accommodate this increase in the importance of aspirations. This argument is further supported by the fact that: price, which in brown goods' category, had an "intervening" influence, has the lowest order of priority in purchase decision of white goods. Moreover though, the functional value of these products is the most important influencer, its influence is observed to be to a lesser extent than what was observed for the products in the brown goods' category. Hence it is concluded that the rural**

consumers have an over-riding desire to identify in a higher stratum.

Similarities between the rural and the urban consumers are observed with regard to the order of importance of all factors except that of family and price. It has already been mentioned that price as a factor influencing purchase from among the six factors has the least order of importance for the rural consumers, while the family as an influencer has the least order of importance among the urban consumers. The order of importance of the other four factors, for all consumers irrespective of the regions are in the following manner: functional value, perceived norms, peer group, and aspirations.

## 2) How Can Brand Create Value

Each of the five product classes has been tested for the similarities/differences on twelve factors. Each of the factors has been tested independently of other factors. Each of them is considered as the Dependent Variable(DV), and the state and region as the two Independent Variables(IVs). The DVs have been tested for the extent to which they influence brand purchase. Table 6.2 presents the results of the Two Way Analysis of Variance tests performed. The discussion mainly pertains to what offers brand value to both the kinds of consumers, and thus lead them to purchase of a brand. Although, twelve factors have been tested and the overall conclusions of all the factors are mentioned, the detailed discussion pertains to only the five most important factors that offer greater brand value to these two consumers.

### a) Transportation Products

Seven factors have an interaction effect. These seven factors are, price, easy availability of the brand, its quality of after sales service, its looks, peer group, the aspirations of the consumer, and the dealer's persuasion. Although there is no interaction effect on the extent of influence of the popularity of the brand, and as well as on the perceived durability of the brand, both the factors are influenced independently by the characteristics of the state as well as of the region. In other words, both the factors test significantly on both the main effects. The differences in the extent of influence exerted by the family is evident solely due to the characteristics of the states. Anovas were not performed on two factors due to the uniformity in the response. They are: the influence exerted by the likability of the brand advertisement, as well as the influence exerted by the prior experience of buying the same brand.

Except for the variation in one factor, variations in all other factors are insufficiently explained by these two IVs. The total variation in the extent of influence of the looks of a brand is explained upto 62.1 percent. For the following factors, more than ten percent of the total variation is explained by the two IVs. They are: price, the perceived durability of brand, and the influence of the dealer's or

retailer's persuasion in buying a particular brand. For four factors, namely, price, the looks of the brand, the popularity of the brand, the aspirations of the consumers, and the family persuasion the characteristics of the states are relatively more important. The variations in another four factor are better explained by the regional characteristics. These factors are: the extent of influence exerted by the easy availability of brand, the after sales service of the brand, peer group, and the retailer or dealer. The characteristics of the states and of the regions explain are equally important in explaining the variation in the perceived durability of the brand.

The price of a brand, its popularity, its perceived durability, and peer group purchase of a brand, has a greater influence on the rural consumers than the urban. The ease of availability of a brand, the quality of after sales service, its looks, the influence exerted by aspirations, and dealer persuasion has a greater influence on the urban consumers. Family pressures exert influence on both the consumers to an equal extent.

The orders of importance of the first five factors for the rural consumers are: the popularity of the brand, the usage of the same brand by their peer group, perception of durability of the brand, the quality of the after sales service, and lastly the price. The orders of importance of the first five factors for the urban consumers are: the popularity of the brand, the quality of the after sales service, the usage of the same brand by the peer group, the perceived durability, and lastly the price.

Firstly, it needs to be noted that the rural consumers, as the urban, have the same order of priority for the manner in which the popularity of the brand and its price enhance brand value. Secondly, price as a factor influencing brand decisions is fifth in the order of priorities among the rural consumers. This is an important conclusion, because it implies that although price for the rural consumers has importance in the product decisions, its influence on brand decisions decreases. **It implies that once a product decision has been made, the rural consumer would overlook price differentials between brands to a greater extent than before product decisions were made.** There are other factors that have an over-riding influence over the price of competing brands. Therefore, it could be said that the probability that a rural consumer purchasing a slightly expensive brand but that which gives value on other counts' matters, is more. Brand price therefore can be considered to have, but a limited influence.

The after sales service of any brand is important for the consumers only because it ensures smoother functioning of the product. Therefore the importance of the quality of the after sales service has been stressed by the urban consumers. The same though, is not the case with the rural. This could be because: they generally have to rely on the urban areas for the purchase of the product and the after sales service. Therefore, in order to enhance brand performance they would have to rely on the services that are available in the urban areas. Since the objective of placing importance on the quality of sales service is only to ensure smoother functioning, they achieve that end by relying on the opinion of the peer group. Therefore, the importance of the peer group in

creating brand value is not because the rural consumer desires to emulate brand purchase, but desires to reduce the risk of possessing a brand that might require repeated servicing. Moreover, importance of the perceived durability is not only a pointer towards being motivated to purchase of a brand with a long life, but also a brand which requires less service.

Even though the availability of a brand is not an important factor in creating brand value for either of the consumers, the very fact that the urban consumers are more influenced by this factor has certain important implications on consumer purchase behavior. Urban consumers are influenced even though to a very small extent by the easy availability of the brand while the rural are not, indicates that, competing brands are at the disposal of the urban consumer and s/he can choose from them, while the same is not true for the rural consumer. This is so because the rural consumer has no brands that are readily available to her/him, and so has to come to the urban regions to purchase a product; and hence the availability of the brand does not in any way influence her/him presently. Were any of the competing brands to "go" to the rural consumer, by which it is implied that s/he has not to come to the urban regions to purchase a product but can have access to the product in the rural region itself, then it is probable that the rural consumer as the urban might also be influenced by this factor. Therefore, it can be concluded that it is only because the rural consumer has to "come" to the product that value on the availability of a brand has not been formed.

#### b) Entertainment Class

The differences in the extent of influence of six factors are due to the interaction effects. These six factors are, the extent of influence exerted by price, availability, the quality of the after sales service, popularity of the brand, the aspirations of the consumers, and the retailer or dealer's persuasion. The differences in the extent of influence of the looks of the brand, and the family are solely due to the characteristics of the states; while the differences in the extent of influence exerted by the perceived durability is solely due to the regional characteristics. Both the types of main effects are significant in explaining the extent to which peer group influences brand purchase. There is no Anova performed on two factors, namely, the influence of the brand advertisement, and the prior experience of the brand, since there was no variation in the response to these two factors.

Variation is insufficiently explained by these two IVs in this class of products too. The total variation explained in the following factors is above 10 percent: the quality of after sales service offered, the popularity of the brand, and the peer group. The variation in the perceived durability of the brand is explained upto almost 10 percent, 9.7 percent. The characteristics of the states are relatively more important in explaining the differences in the extent of influence for the following factors: price, the quality of after sales service, the popularity of the brand, the peer group,

retailer/dealer persuasion. The differences in the extent of influence exerted by the availability of the brand, and the aspirational influence is almost equally explained by the characteristics of the states and the regions.

The rural consumers are influenced to a greater extent by five factors, namely, price, popularity, perceived durability, peer group, and the dealer's persuasion. The influence of availability, quality of after sales service, and aspirations, have a greater influence on the urban than on the rural consumer. The aesthetics of the brand, as well as the family influences the rural and the urban consumers to an equal extent.

A brand that offers value through its popularity, the usage by peer group, its perceived durability, its price, and the aesthetics of the brand, in that order, is more likely to be purchased by the rural consumer. The urban consumer is induced to purchase a brand when, it is popular, the peer group have adopted it, by the aesthetics of the brand, price, and lastly because of the perceived durability. The rural and the urban consumers are almost similar in the priority order of the first five factors. The differences arise only in the place given to perceived durability and the aesthetics of the brand. The former that is perceived durability, is third in importance, the latter, that is, aesthetics of the brand, is fifth in importance for the rural consumer. On the other hand, the importance of these two factors is interchanged for the urban consumers.

The reason for this disparity lies in understanding the linkages between the behavioral process while making a product decision and a brand decision. It may be recalled that, while making a product decision in the entertainment class, these products offered a greater functional value to the rural consumers, while the peer group and the perceived norms influenced the urban consumers to a greater extent than the rural. But at the same time, during product decision making, there was a greater influence of the aspirations on the rural consumers than the urban. Viewed in this context, it could be concluded that, once the rural consumer decides to purchase a product of this class, her/his aspirations have been fulfilled. Moreover, the conviction that the products in this class have a great functional value induces the rural consumer to purchase a brand that is durable, and thus ensure a longer life of the product. Since, aspirations have been fulfilled by purchasing the product, the functional value of the brand assumes greater importance, and therefore the aesthetics of the brand, although an important factor in brand decision, does not have a high priority. On the other hand, for the urban consumer since the societal forces are also quite important in terms of identifying with the peer group while at the same time having a functional value, the "compromise" that s/he makes is by purchasing a brand that meets her/his aesthetic tastes, even though s/he may not perceive it as durable.

#### c) Personal Effects/Use Class

Interaction effects are observed on seven factors, viz., price, easy availability, the nature of the after sales service, looks, peer group, aspirations, and

retailer/dealer persuasion. The differences in the extent of influence of the perceived durability of the brand are attributable only to the characteristics of the regions. The differences in the extent of influence of the popularity of the brand, and the family is observed due to the characteristics of the states as well as of the region. In this class of products too, no Anovas were performed on the likability of the brand advertisement, and the prior experience of the brand, while making a brand choice.

The two IVs explain the maximum variability in the extent of influence of the retailer/dealer persuasion, which is upto 34.1 percent; while for price, looks of the brand, peer group it is explained upto 27.2, 13.4, and 26.9 percent respectively. The variation in the extent of influence exercised by the following seven factors is attributable to an equal degree to the characteristics of the state as well as the characteristics of the regions. These are: price, easy availability, the nature of the after sales service, popularity of the brand, aspirations, family persuasion, and retailer persuasion. The characteristic of the state is relatively more important in explaining the variation on the extent of influence exerted by the looks of the brand; while the extent of influence of the peer group is attributable in relative terms to the characteristics of the regions.

The influence of price, the quality of after sales service, the looks, perceived durability, peer group, family, and dealer's persuasion have greater influence on the rural consumer than the urban. The influence of the easy availability, and the popularity of the brand is greater over the urban consumers than on the rural.

A brand that is popular, perceived to be durable, adopted by their peer group, influenced by the dealer of the brand, and whose price is not "exorbitant", is more likely to be purchased by the rural consumers. On the other hand, the orders of importance of the influence of the various factors among the urban consumers are: the popularity of the brand, its durability in their perception, the looks of the brand, the ease of availability, and the persuasion of the dealer.

Firstly, an anomaly that is noticed is the influence of the aesthetics of the brand being greater among the rural consumers than among the urban, while at the same time it is observed to be high in the priority order for the urban consumers. The explanation is rather simple: it implies that **even though aesthetics influences the rural consumer to a greater extent than the urban, other factors have an over-riding influence on these rural consumers, such that the value that is created by the aesthetics of the brand reduces in the order of importance.** On the other hand, for the urban consumers, not many of the factors have an over-riding influence over the influence of the aesthetics of the brand, even though the influence of this factor is observed to a lesser extent than the rural consumers. Moreover, given these two situations it also implies that not many factors influence the urban consumers in brand decision making.

Convergence is observed in the order in which popularity, and the perceived durability influence brand purchase between the two consumers. The reasons for the priority order of the aesthetics of the brand among the urban consumers have already been discussed. Moreover, the reasons for the importance of the experience of the peer group have already been stressed in the other classes of products. The same reasons hold true while purchasing a brand for the products in the personal effects' class. But the divergence in the behavior of the rural consumers is observed between the product classes on the priority order of the peer group as an influencer. In the other classes this influence preceded the influence of the perception of the consumer himself/herself on the durability of the brand; while the opposite is observed here. The reasons for this difference could lie in the perception of the consumer of the lesser "risks" involved in purchasing a "wrong" brand among these products, while the perceived "risks" in making a "wrong" brand choice could be greater in the purchase of products in the other two classes. Between the sociological factors and price, the latter has a relatively greater influence on the purchase of brands and the former on the purchase of products. Moreover, the functional value that the products offer is an all important factor for product purchase. Therefore, perceived risks would be greater on the "wrong" brand purchase because of the lack of experience on the performance of the brand. Was the performance of the brand to go awry the implication is on the reduced value it has offered on the usage of the product. This is the context in which the perceived risks and the consequence of making a "wrong" brand choice are to be viewed.

The reasons for the influence of the easy availability of a brand on the urban consumer than on the rural has already been discussed, and therefore not repeated here. The higher priority accorded by the urban consumers on this factor only reiterates the reasons for the greater influence of this factor on them. Price and the influence of the dealer have an equal level of importance among the rural consumers, while the fifth order influence is of the dealer among the urban.

**Another important difference that is worth noting is that, although the orders of importance of the popularity of the brand among both the consumers are similar, the influence of the same is greater among the urban consumers than on the rural. This is a departure from what has been observed in the previous two classes.** The rationale for this difference too lies in understanding the perception of risks that are involved while making a brand purchase. The difference here though lies not in analyzing the kind of risks but the amount of risks; that is, not the quality of perceived risks but its quantity. For both the kinds of consumers, the quantity of perceived risks in the brand purchase of products in the other two classes was greater, since not only was the performance of brand at stake, but the price of those products is much higher than the price of the products of the personal effects' class. Hence, the perceived risks involved in the "wrong" purchase of brands in the other classes of products were greater. In this class of products, that is the personal effects' class, the order of importance of the popularity of the brand ensures the rural consumer that the perceived risks involved would be lowered, in purchase of such a brand that is highly popular. As already stated, the urban consumers too have a higher perceived risk in the purchase of

products of the other two classes, but those risks are lowered according to their perception when they consider certain other extrinsic and intrinsic factors of the brand, like the experience of their peer group members, the quality of the after sales service, and the like. In this class of products, the influence of none of the factors other than the popularity of the brand seems to influence the urban consumer to any considerable extent, since the amount of perceived risks is much lower than perceived in the previous classes of products.

#### d) Home and Kitchen Appliances

**There is a joint effect of the two IVs on eight factors: price, availability, after sales service, looks, likability of the advertisement, peer group, family, and dealer's influence. The differences in the extent of influence of the popularity of the brand are due to the characteristics of the two states; while on the other hand, the differences in the extent of influence of the prior experience of the brand, are due to the regional characteristics. There is no difference in the extent of influence exerted by the perceived durability of the brand. The response for the extent of influence exerted by aspirations has been uniform, therefore no Anovas have been performed on this factor.**

The total variation explained by these two IVs for three factors, namely, price, easy availability, and peer group are more than 10 percent. For three factors, that is, price, the nature of after sales service, and the retailer/dealer persuasion, is better explained by the characteristics of the states. The extent of influence of the looks of the brand, and peer group is better explained by the regional characteristics. The other three factors, viz., availability, liability of the advertisement, and family, are explained to an equal degree by the characteristics of the state and of the region.

Price, the aesthetic value of the brand, the adoption of the brand by the peer group, and the family pressures, exert greater influence on the rural than the urban consumer. The influence of the easy availability, the quality of after sales service, and prior experience of the brand, is greater among the urban consumers than the rural. Popularity, and perceived durability influence both the consumers to a similar extent.

The orders of importance of the factors for the rural consumers are: popularity, peer group, perceived durability, the aesthetic value of the brand, and lastly the influence of the price. Popularity, perceived durability, peer group, the dealer's influence, and lastly the family pressures, in that order, influence the decision making of the urban consumers.

There is a complete convergence on the extent to which popularity of the brand influences the purchase decision of both the consumers. Not only is the order of



importance similar but its extent of influence is also similar. Though perceived durability has a similar extent of influence on both, the importance of this factor with that of the peer group is interchanged among the two consumers. **Peer group has a higher order of importance for the rural consumer, while perceived durability has a higher order of importance for the urban.** The higher order of influence of peer group over that of their own perceptions has already been stressed for the first two classes of products. Similar reasons hold true to explain the behavior of the rural consumer while purchasing a brand in this class of products too. **The aesthetic value of the brand has not only a greater influence but also a higher order of importance for the rural consumer than the urban.** The influence of the aesthetic value of the brand is to be viewed in conjunction with the factors that motivate a product purchase in the home and kitchen appliances' class. It may be recalled that, aspirations have some effect on purchase decision of products in this class. **Therefore due to this desire to be identified with a higher stratum, the rural consumer lays a greater importance or greater stress on the aesthetic value of the brand while making a brand purchase.** Price, and family has the same order of importance for the rural consumer. The reasons for the similar ranking of both these factors could be, because: firstly, the nature of these products suggest that the usage of these products is primarily to reduce the household chores, and hence the influence of the family. The influence of this factor is observed on product decisions too which only reiterates this conclusion. Secondly, given the limited purchasing power the rural consumer cannot ignore the price differentials between the brands. The importance of both these reasons is reflected in the place given to family and to price, while making brand purchases.

#### e) White Goods

**Except for the differences in the extent of influence exerted by the availability of the brand, the variations on all other factors are due to the presence of the interaction effect. The differences in the extent of influence exerted by the availability of the brand is attributed to the characteristics of the regions.**

For seven factors the two IVs explain their variations to more than 10 percent. These seven factors are : the nature of after sales service, the looks of the brand, the perceived durability, the likability of the advertisement, the effect of the peer group, retailer/dealer persuasion, and the effect of the family. The extent of influence of the nature of the after sales service is explained by both the IVs upto 42.9 percent. The differences in the extent of influence on seven factors are explained to a greater degree by the characteristics of the states. These factors are : price, nature of after sales service, looks of the brand, the likability of the advertisement, peer group, aspirations, and family. The differences in the extent of influence on three factors are explained to a greater degree by the characteristics of the regions. These factors are : popularity, perceived durability, and retailer or dealer persuasion. The differences in the extent of influence of prior experience of the brand is explained to an equal degree by the characteristics of the two states as well the regional characteristics.

Price, the aesthetic value, popularity, perceived durability, likability of advertisement, peer group, and prior experience of the brand, have a greater influence on the rural consumer than on the urban. The influence of the easy availability, quality of after sales service, aspirations, family, and dealer, has a greater influence on the urban consumers than on the rural.

Brand value for the rural consumers is created on its popularity, perceived durability, adoption of the brand by the peer group members, the aesthetics of the brand, and lastly, the quality of the after sales service. Brand value for the urban consumers is created on popularity, peer group, aesthetics of the brand, the quality of after sales service, and lastly the aspirations.

Before starting on a discussion of the behavior of the consumers, it needs to be noted that price does not figure in the higher priority order for any of the consumers. This is an interesting observation especially with regard to the rural consumers. At the same time it needs to be noted that, even though it is not ranked anywhere in the first five, it ranks sixth for both the consumers.

In order to understand the effect of price on brand purchase, it needs to be viewed in conjunction with the influence price has while making a product decision in the white goods' class. It may be recalled that price has the least order of importance among the six factors that were analyzed on product decision. This implies that price would be the least important consideration between competing products within this class of goods. But price differentials would affect purchase decisions between competing brands, although its order of importance is not as high as certain other factors. This indicates that **price differential of competing brands would not "intervene" upto a certain extent given that brand value has been created on other more important fronts.** This is reinforced when compared to the effect of price on the brand choice of brown goods. Moreover, it is also noted that even though the influence of price is greater among the rural consumers, the order of importance is nevertheless similar for both the kinds of consumers.

It has been stated already, that the first three factors that are important for the rural consumer are: popularity, perceived durability of the brand, and the experience of the peer group members. It may be recalled that a similar order of importance for these factors was observed in the brand decision for the products in the personal effects' class. It may further be recalled that the underlying reasons for such a priority order in the personal effects' class were viewed in terms of the lowered perceived risks of the consumer. Here, it cannot be viewed in that context at all. The manner in which the consumer "insures" her/himself against perceived risks is discussed later. The underlying reason for this decreased order of importance of the peer group could be because a relatively fewer members may be possessing the product from among the products in the white goods' class, that the consumer has decided to purchase. This conclusion has been arrived at on the basis of the conclusions that were made on the

motivation for purchase of the products in the white goods' class.

It may be recalled that it was argued that the normative behavior has a greater influence than the peer group behavior because of the desire to be identified in a higher stratum rather than the same stratum as the peer group. Under such circumstances it follows that for a consumer to expect that s/he would be identified in a higher stratum through possession of a product implies that there would be, if at all, few members among the peer group who own this product. Since the aspirations as well as the importance of the normative behavior were high while making a product decision in the white goods' class, it is to be concluded that the purchase of the product was an "act" of adhering to the perceived norms of the higher stratum. Hence it is concluded that there are fewer owners among the peer group. Therefore it follows that the influence of the experience of the peer group on their experience would be lesser than when compared to the influence of their own perception. Moreover, it is also observed that there is a certain influence of the experience that the consumers themselves have had of the brand. Hence, these are the underlying reasons for the decreased importance of the peer group in selecting a brand.

It is observed that the influence of the aesthetic value of the brand is greater among the rural consumers than the urban, but yet, the order of importance of this factor is higher for urban consumers than the rural. In order to understand this difference this factor has to be viewed in conjunction with influence of aspiration on product as well as brand choice. It may be recalled that the influence and the order of importance of aspirations of the consumers' were similar while making a product decision. On the other hand, there is a greater influence of aspirations' on brand purchase for the urban consumers rather than an equal extent of the same on the rural consumers too. So, by purchasing a brand with a greater aesthetic value the rural consumers are satisfied with the status that they have "attained" due to the purchase of the product. For the urban consumers, since there is a desire to express their status attainment through both, the status values of the product as well as the brand, they give greater priority to the aesthetic value. Although the influence of the aesthetics of a brand is greater for the rural consumer, s/he has certain other important considerations too, hence a "compromise" is arrived at by the rural consumer.

The higher order of importance of the quality of after sales service for the urban rather than the rural has already been discussed elsewhere. What needs to be emphasized here though, is the fact that when products are sophisticated and expensive, and the perceived risks are higher, the quality of after sales service is an important factor. This importance though, does not show in the motivations for purchase of brands only because there is a dearth in any kind of after sales service in the rural regions, and so the consumer has to anyway come to the urban region for the same. This aspect of coming to the urban regions for servicing her/his products is a matter of inconvenience to her/him, which s/he tries to reduce by ensuring that s/he purchases a brand with lesser "risks," and lesser services

involved and thereby reduce the inconvenience s/he faces.

## B. Comparison Between the Social Classes

The discussion pertains to the behavioral difference or similarities that were observed among the consumers of the three "social classes". These "social classes" are devised on the basis of income, education, and occupation. Their formulations are detailed in the preceding chapter. The analyses pertain to firstly, an observation on which of the social classes differ from the others, and the behavioral direction. Analyses and the reasons for the differences or similarities are based on the mean value of the Dependent Variable(DV).

### 1) What Motivates Product Purchase

Each of the five product classes has been tested for the similarities/differences on six factors. Each of these factors has been tested independently of the others. Each of them is considered as the Dependent Variable(DV), and the "social class" as the Independent Variable(IV). The factors have been tested for the extent of its influence on purchase decision of products. **Table 6.3 presents the results of the One Way Analysis of Variance tests performed.**

#### a) Transportation Products

There is no variation in the response with respect to the influence of the functional value of this product class in influencing the purchase decision. Hence One Way has not been performed. **The differences in the extent to which price, peer group, normative behavior, and family exert their influence are evident between the "low" class and the other two "higher" classes, while there is no difference in the extent to which these factors influence the "middle" and the "high" class consumers. The extent of influence of the consumers' aspirations differs among all the three classes. The influence of price, peer group, normative behavior, and aspirations, is greater among the "low" class consumers, than among the consumers of the other classes. On the other hand, influence of family is the least among the "low" class consumers.**

Although the extent to which five factors influence the "middle" and the "high" class consumers is similar, the order of influence of some of the six factors within each of the classes vary. The functional value of the product, the influence of the peer group, and the perceived norms, in that order, influences the consumers of the three social classes. There is a complete convergence among the consumers of the "middle" and the "high" class on these factors. Although the order is similar between these classes and the "low" class, the extent of influence of peer group, and of the normative behavior is

greater among the "low" class consumers. The influence of these two factors is greater than the influence of the price of the product. **This implies that the "low" class consumers are more prone to emulative behavior.** This desire to emulate seems to be evident to an extent that suggests a hypothesis that, when the "low" class consumers observe that the members of their peer group have purchased a product from among the products in the transportation class, they assume that they too are "expected" to purchase it in order that they be identified in the same stratum as their peers. **Price as an influencer on the "low" class has a lower order of influence. Its effect on these consumers, can be considered as a means to maintain a "balance" between the economic considerations and the sociological considerations.** This is derived from the "intervening" influence of price. Price becomes an important factor in so far as the influence of the aspirations, and the family are not allowed to get an upper hand. Which is to say that, a product that is purchased by the peers has a greater influence than which is perceived to be purchased by the "high" class.

**Price, on the other hand, has the least influence on the consumers of the "middle" class. The "middle" class are more influenced by sociological factors than economic factors, which is not to say that these consumers would purchase any of these products, were they not to find it useful.** These consumers too need to be convinced that the product serves a valuable function. But having got convinced, they would not be very greatly influenced by the price differentials between competing products, but would lay greater emphasis on fulfilling certain sociological goals through this product purchase. Price therefore to that extent, does not in any manner influence decision making. These consumers are more influenced by their aspirations, as well as by their family than by price considerations. The influence of the family also bears out the conclusion that sociological factors would be given more consideration while making product purchases, in this class of products.

Aspirations have the least influence on the consumers of the "high" class, while price, and family has similar influences on them. But, the implication of a "higher" order of importance of price over that of aspirations' is not that price has an "intervening" influence. Consumers in this "high" class, can be said to ignore the potential of these products to meet their aspirations. The basis of this conclusion is thus: in the "lower" classes, it has been observed that the influence of the family is subsequent to that of the consumers' aspirations; but consumers of this class are more influenced by their family members than by their aspirations. Moreover, between the three classes, aspirations has the least influence on these "high" class consumers. Therefore, given these two conditions it could be plausible that "high" class consumers do not have much of aspirational influence while making decision on purchase of these products. Secondly, price cannot be considered to be an "intervening" factor in purchase decision, inspite of the greater influence of price than of aspirations. Had price the potential to be an "intervening" factor for these "high" class consumers, then its influence would probably have been greater than that of the family pressures.

#### b) Entertainment Class

The extent of influence exerted by the functional value of the entertainment class of products, price, and family are different between the consumers of the "low" class and the other "higher" classes. The differences between the "high" and the other two "lower" classes of consumers exist because of the difference in the extent to which they are influenced by their respective peer group, and their aspirations. There is no difference between the various classes on the extent to which they are influenced by perceived norms. Price, and family exerts greater influence on the "low" class than the other two classes, while the influence of the functional value of these products is lesser among them when compared to the other two classes of consumers. The influence of peer group, and of aspirations is lesser among the "high" class consumers when compared to the other two classes.

Certain similarities are evident between the different classes in the order of importance of two factors, namely, the functional value of the products, as well as the influence of the peer group. **Peers of the respective classes have an over-riding influence on all consumers. The consumers of every class are more prone towards emulative behavior.** Moreover, the priority order of perceived norms is equally important among the "high" class consumers, which is observed inspite of the extent of influence being similar among the three sets of consumers. It implies that the "high" class consumers give greater priority to their perception of what society expects of them, while the perception of the "middle" class consumers on meeting the expectations of the society through purchase of any of these products is formed only on observing the behavior of the peer group members. For the "low" class, price has an over-riding influence on all other factors. Perceived norms are met only after evaluating the prices of competing products, and this is observed inspite of a greater influence of the peer group than of the price. Price, on the other hand, is the least influential of all factors for the "middle" class consumers, as well as for the "high" class. The influence of the price is considered to be the least even if it ranks above the influence of aspirations for these consumers, the implications are similar to what had been explained in the previous class of products for the "high" class consumers. Similar is the explanation for the behavior of the "middle" class consumers.

#### c) Personal Effects/Use Class

In this class of products, the extent of influence of all the factors excepting of the functional value, and of the family is different between the consumers of the "low" and the other two "higher" classes. The "low" class are more influenced by these factors than the other two classes. The extent of influence of the functional value is different between the "high" class and the other two classes of consumers- they are influenced to a lesser extent by the functional value of the products than the other two classes. The family influences the consumers of all classes to a similar extent.

These products are purchased more as a routine purchase than one that is purchased after a lot of thought and involvement. Though this seems to be the outlook of all the three kinds of consumers, it is more prominent among the "high" class consumers. These "high" class consumers are mainly influenced by the need to meet perceived societal expectations, and also family expectations. A similar attitude is discernible among the "middle" class consumers. Yet, at the same time, a desire to emulate the peer group is also evident among these "middle" class consumers. Therefore, two conclusions could be drawn on the "middle" class behavior. One, purchases of the products of this class is more of a routine nature when compared with the middle class behavior on purchases of products of the other classes. Two, purchases of these products though routine in nature are less so when compared with the behavior of the "high" class while purchasing these same products. The purchase behavior of the "low" class consumer could also be termed as routine, but to a lesser extent than discernible among the "middle" class. Which is to say that, there is a greater degree of involvement while making a purchase among the "low" class than among the "higher" classes. This is concluded not only from the importance that the "low" class consumers accord to price. Price also has the same order of priority as perceived norms. Moreover, aspirations influence the "low" class consumers to a greater extent than the "middle" and the "high" class. Therefore, it is concluded that there is a greater degree of involvement among the "low" class consumers than the "higher" classes while making a product decision in this class.

#### d) Home and Kitchen Appliances Class

The "low" class consumers differ from the two "higher" classes on the extent to which they are influenced by four factors, while making a purchase in the home and kitchen appliances' class. Peers influence the consumers of all the classes to a different extent, while variation of the influence of the perceived norms is observed only between the "low" and the "high" class consumers. Price, peer group, normative behavior, and aspirations have a greater influence on the "low" class consumers, while the functional value, and family has a greater influence on the two "higher" classes than on the "low" class.

There is a complete convergence of the behavior process at this stage between the "middle" and the "high" class consumers, which is inspite of the differences evident in the extent to which these consumers are influenced by the perceived norms of society. The purchase of these products too seems to be more of a routine, though it is not evident to such an extent as observed during the purchase decision on products of the personal effects' class. This is derived from the greater influence exerted by the peer group in decision making of products of this class when compared to its influence in the decision making for products in the personal effects' class. For the "low" class consumers too, the decision making is somewhat of a routine though it is not as prominent as it is among the other two "higher" classes. It may

be recalled that product purchases in the personal effects class for the "low" class consumers was more or less of a routine nature. Although the same is concluded for purchase decisions in this class of products too, it is not observed to such an extent as observed during product decision making in the personal effects class. For the "low" class consumers, as in the behavior observed for purchases made from the transportation class, sociological factors influence the purchase decisions for products in this class, though to a certain extent only. Economic considerations prevail over the influence of the need to be identified in a higher stratum, and the influence exerted by the family. Social forces do play a role, more so than price, as observed from the greater influence exerted by the peer group, and by the need to meet perceived societal expectations. But as already stated, price has an "intervening" effect, in so far as the influence of the aspirations of the "low" class consumers, and her/his family is concerned.

#### e) White Goods

**Price, peer group, and normative behavior influence the "low" class consumers to a different extent than those in the other two "higher" classes. "Low" class consumers are influenced to a greater extent by all these factors than those of the "middle" and the "high" class. "Middle" class consumers differ from the other two classes on the extent to which they are influenced by the functional value of these products. The "middle" class consumers are influenced to a lesser extent than the other two consumers. The "high" class consumers are influenced to a lesser extent by their aspirations when purchasing the products in the white goods' class. Family influences the three sets of consumers to a different extent, and those in the "low" class to the least.**

Although the consumers of all the three classes are more or less dis-similar on the extent to which they are influenced by the various factors, there is more or less a similarity on the order in which these factors are important within the classes. This is more discernible between the "low" and the "middle" class. The difference between the "lower" classes of consumers and the "high" class is discernible in the priority order that is interchanged between price, and family pressures. Family is the least influential in the "middle" and the "low" class, while price is the least influential in the "high" class.

It had been observed on the purchase decisions of other products that price played quite an important role in determining purchases among the "low" class consumers. **Price, has a limited influence when compared to sociological forces which are more influential in the purchase decision of products in the white goods' class.** Moreover, the greater importance of the normative behavior over that of the members of the peer group is also observed. This could be because of the greater desire to identify with a "higher" stratum, than the need to emulate the peer group. This has been derived on the basis that aspirations of the consumer to relate to a "higher"



stratum, and the relatively "low" order of the influence of price. Both factors viewed in conjunction implies that the object of the "low" class consumer is to attain a "higher" status. This is assumed to be attainable through purchase of these products, and hence, importance placed in emulating the "higher" stratum, and assuming that the society "expects" these purchases of them. Similar is the reasoning for the decision making observed in the "middle" class too. While although normative, peer group, and aspirational influences are in the same order for the "high" class consumers too, the explanation though varies. This is because although the order is similar, the extent of influence of aspirations indicates that between the various social classes, consumers of the "high" class are the least influenced by this factor. Therefore, there is reason to believe that the influence of the normative behavior would be not to attain a "higher" stratum through product purchase, but to retain or maintain the status that the high class consumers already possess.

## 2) What Leads to Brand Choice

Each of the five product classes has been tested for the similarities/differences on twelve factors. Each of these factors has been tested independently of the others. Each of them is considered as the Dependent Variable(DV), and the social class as the Independent Variable(IV). The factors are tested for the extent of influence they exert on brand purchases. Table 6.4 presents the results of the One Way Analysis of Variance tests performed. The emphasis of the analysis here is on the order of importance of the first five factors in each of the social classes.

### a) Transportation Products

Of the twelve factors that are tested, ten factors show differences in the extent of their influence on brand decisions to the social class. The remaining two factors present no variation in the response at all, that is, no one-way Anovas have been run on these two factors since the response of all the respondents have been similar.

Price, perceived durability, peer group, and family exert influence to a differing extent between the "low" class and the other two classes of consumers. The extent of influence of price, peer group, and perceived durability is greater among the "low" class consumers than on the other two "higher" classes, while they are more influenced by family than are the consumers of the "low" class. The ease of availability of brand, its quality of after sales service, the aesthetics of the brand, and the aspirations of the consumers is different between the "high" class and the other two "lower" classes of consumers. The "high" class consumers are influenced to a greater extent by all excepting one of the factors mentioned. Aspirations have a greater influence on the "low" and the "middle" class than on the "high" class. The "middle" class consumer differs from the "high" and the "low" class on the extent to which they are influenced by the popularity of the brand. They are influenced to

a lesser extent than the other two classes. Moreover, the "high" class and "middle" class differ on the extent to which they are influenced by the dealers, where the "high" class is influenced to a greater extent by this factor.

The first five factors that are important to the "low" class consumers are: popularity, peer group, perceived durability, quality of after sales service, and lastly, price of the brand. The first five factors that are important to the "middle" class consumers are: popularity, quality of after sales service, peer group, perceived durability, and lastly price. Brand value for the "high" class consumers is created through: popularity, quality of after sales service, perceived durability, aesthetics of the brand, and price.

It may be recalled that the "low" class consumers were quite influenced by price in the decision making between competing products in the transportation class. The same extent of influence is not observable while making a decision between competing brands for purchase of a transportation product. Which is to say that, having decided to purchase the product, this "low" consumer is no longer much influenced by the price differentials between brands. Nevertheless, they do attempt to get as much value in terms of its smooth functioning, which is implied through the emphasis placed on the peer group, perceived durability, and the quality of after sales service. There is a greater emphasis on the peer group probably because of the importance of the price factor. Owners among peer group are important to the "low" class consumer since, having purchased the brand these consumers assume that their peers are in a better position to know more about the brand, and share their experience on its durability and the quality of its after sales service. Hence, it is in this context that the peer group is so important in brand purchase decision of the "low" class consumers for brand decision in transportation class.

"Middle" class consumers are more influenced by the quality of the after sales service than any other considerations, given that the brand is popular. Only on their own assessment of the quality of the after sales service, do they approach the owners among the peer group for their experience on purchase of the brand. Subsequent to the evaluation of a brand by the owners among the peer group the "middle" class consumers evaluate her/his perception on the durability of the brand. This clearly indicates a departure from the behavior exhibited by the "low" class consumer. Both the consumers are interested in ensuring a long life to their products, but the difference lies on the kind of factors that has more of an influence on either of them. While the "low" class are influenced more by the peer group and their own perceptions, the "middle" class is influenced by their independent observations. Brand value therefore could be said to be created for the "low" class primarily on the basis of experience and perception, while for the "middle" class it is primarily on their observations, which is not to imply that they are not influenced by their peer group or their perception on durability, but is just an indicator of the fundamental difference between the two classes of consumers.

The fundamental difference between the "high" class from the other two classes

lies on the order of importance of the aesthetics of the brand, and the influence of the peer group. Peer group has a much lower order of importance for the "high" class consumers, which is inspite of the similarity in the extent of influence of the same on the "middle" and the "high" class. The aesthetics of the brand has a greater importance than even price, although the orders of importance of both these factors are similar. This is inferred from the following: societal forces have a relatively less impact among these "high" class consumers while making a purchase decision on transportation products. This is evident due to the lesser influence of aspirations during product purchase, even though the peer group, and perceived norms do influence the product decision. Hence, it may be assumed that social forces have a relatively lesser influence on them at the time of product decision. Yet, while making brand purchase of a transportation product, they attempt to purchase a brand that has certain aesthetic value so that the brand may fulfill the limited social goals due to which the product was purchase decision was arrived at. It needs to be noted, nevertheless that the intention of purchasing a brand with a greater aesthetic value is not to aspire for a "higher" stratum but meet the perceived norms of the society, that is, these "high" class consumers intend to maintain their social status through purchase of a brand that has aesthetic value. The importance of the aesthetic value of the brand for these consumers nevertheless does not overshadow the importance of the quality of the after sales service. It is second in the order of importance, and this importance stresses the relatively independent observation by which this consumer is influenced.

It needs to be stressed that, the importance of the aesthetic value of the brand is not as evident among the consumers of the other two "lower" classes only because of the over-riding desire to ensure purchase of a brand that would function smoothly. Another difference that is to be made note of is that, although both of these "lower" order consumers do not place as much importance as do the "high" class, on the aesthetics of the brand, they are also nevertheless influenced by this factor. This emphasis on the aesthetics of the brand could probably be due to the aspirations of these lower order consumers, which was not only evident during product purchase but also during brand purchase, but as already explained the influence of the aesthetics of the brand nor the influence of the aspirational value of either the product or the brand can over-ride the importance of the economic considerations.

#### b) Entertainment Class

Of the twelve factors tested for its extent of influence, nine of them indicate the difference in the extent of influence due to the social class, while for two no Anovas have been performed, and one factor indicates that the extent of influence did not depend on the social class. The extent of influence exerted by the aesthetics of the brand was similar among all the classes of consumers.

Perceived durability, and dealers' influence exerts varying influence between the consumers of the "low" class and the "higher" classes. Both these factors exert greater

influence among the "low" class than the other two classes. The "middle" class and the "low" class consumers differ in the extent to which they are influenced by the quality of after sales service. The "low" class are influenced to a greater extent by the same. The ease of availability, popularity, family pressures, and aspirational influence exerts varying influence between the "high" class and the other two classes of consumers. The "high" class are more influenced by all these four factors than the other two classes. All the three sets of consumers are completely different from the other on the extent to which they are influenced by price and peer group. Between the three classes it is the "low" class that is the most influenced by both the factors.

The orders of importance of the first five factors are similar for the "low" and the "middle" class consumers. Brand value for these two classes can be created in the following order: popularity, peer group, perceived durability, price, and lastly, aesthetics of the brand. For the "high" class, brand value could be created in the following manner: popularity, perceived durability, aesthetics, peer group, and lastly, quality of after sales service.

The rationale for the importance of the popularity of the brand, evaluation of the adoption of the brands by their peer group, and the perception of the consumers themselves on the durability of the brand, all point towards the attempt to reduce perceived risks especially on the performance of the brand. The basis for arriving at this conclusion has already been detailed, and therefore not repeated here. **The difference between brand purchase in the transportation class of products and the entertainment class for the consumers of the "low" and the "middle" class is mainly, because of the increased importance of the aesthetics of the brand.** Both the "lower" order consumers stress the importance of this factor, although its influence is considered only after the price differentials between brands are evaluated. This indicates that societal forces have a greater influence on these products, because there is a considerable influence of the social forces, evident through the influence of the peer group, norms, and the aspirations of the consumers while making a choice between competing products. This is manifest at the brand purchase stage in the increased value of the aesthetics of the brand rather than the aspirations that the brand would serve, since again the consumers of these two classes perform make a "compromise" between ensuring relatively lesser "risks" in the functioning of the brand and meeting social goals. On the other hand, the stress on the importance of the aesthetics of the brand for the "high" class consumers is primarily to meet their aspirations. Their aspirations have not been fulfilled through product purchase as is evident not only due to the extent to which aspirations have been the objective of the purchase, but also the order of importance it has within the class. Therefore, the surmise that the influence of the aesthetics of a brand during purchase of a product in the entertainment class, is primarily to fulfill the aspirations of these "high" class consumers. Moreover, the relatively lower order of importance of price also is a pointer towards this conclusion. This though, is not to imply that the functional value of the brand cannot in any way influence the purchase of a brand for the "high" class. The assurance of the capability of the brand to function smoothly and to enhance its life

is amply evident in the order of importance placed on perceived durability, peer group, and the quality of after sales service.

It needs to be stressed that the quality of the after sales service has a lower order of priority among the "low" and the "middle" class consumers. This is so, probably because of their perception that they have ensured the longevity and the smooth functioning of the brand through their emphasis on the durability of the brand, and the experience of the peers. The "compromise" that is made between the functioning of the brand and the desire to meet social goals implies a "sacrifice" on the higher order importance of the quality of after sales service.

#### c) Personal Effects/Use Class

**Of the twelve factors tested for its extent of influence, nine of them indicate the difference in the extent of influence due to the social class, while for two no Anovas have been performed, and one factor indicated that the extent of influence was similar in all the social classes. This factor, that is, popularity of the brand influenced all the consumers to an equal extent.**

The "low" class consumers differ from the consumers of the two "higher" classes on the extent to which they have been influenced by price, quality of after sales service, perceived durability, peer group, family, dealer or retailer influence. Excepting for the influence exerted by the family, all the rest of the factors mentioned have a greater influence on these "low" class consumers than on the "middle" and the "high" class, while the influence of family is greater among the "middle" and "high" class consumers. Ease of availability of brand influences the "low" consumers to a greater extent than the "high" class. Aesthetic value of the brand influences the "middle" class to a lesser extent than the other two classes, while aspirations influence the "high" class to a greater extent than the other two "lower" classes.

**"Middle" class consumers purchase these products as strictly a product that has the value of performance or in other words as strictly for purposes of its function. Aspirations play a certain part in the purchase decision of the consumers of the "low" and the "high" class. The differences discernible between the "low" class and "high" class consumers are due to the differences in the view of these two consumers on what would meet their social goals. Aspirations and other social goals of the "low" class consumer are met more through the purchase of the products rather than of a particular brand. Although there is an emphasis on the aesthetics of the brand among these consumers it is towards meeting the objective of product purchase than of brand purchase. On the other hand, the objective of the brand purchase among the "high" class consumers, is not only for the function that the product serves but also the desire to meet social goals through brand purchase. This is evident through not only the higher order of importance accorded to the aesthetics of the brand, but also the lower order of aspirations in product purchase combined with**

the higher extent of influence of aspirations in brand purchase.

Although the dealer influences the "low" consumers to a greater extent, the rank order of the dealer among the consumers of all classes is nearly similar. **The dealer has a greater influence in the brand purchase decision of products in the personal effects' class because these products are viewed as more of a routine purchase by all consumers,** as was concluded while analyzing product decision making for this class of products. So, because of a lower order of involvement, purchase "risks" are reduced in the perception of the consumers by purchasing a brand that the retailer recommends. Moreover, the influence of the retailer also implies that the consumers have to a certain extent, in their perception, also assured the quality of the after sales service. It needs to be pointed out that, the influence of the dealer cannot be totally ignored for the brand purchase in the other classes of products too, but it is not as observable since the importance of other factors overshadows the influence of the same. Nevertheless, the dealer's influence in brand purchases for products of the other classes is important, because it stresses not only the dependence of the consumers on the recommendation of the dealer but it also emphasizes the importance of the quality of the after sales service.

#### d) Home and Kitchen Appliances

Of the twelve factors tested for its extent of influence, ten of them indicate the difference in the extent of influence due to the social class, while for one no Anova have been performed, and one factor indicates that the extent of influence did not depend on the social class. That is, the extent of influence of the perception of the durability of the brands is similar among the consumers of all classes.

The "low" class consumers differ from the other two classes, on the extent to which they are influenced by price, ease of availability, aesthetics, adoption of the brand by their group, and the dealers' influence. All these factors have a greater influence on the consumers of the "low" class. The influence exerted by the likability of the advertisement of the brand, is greater on the consumers of the "high" class than on the other two lower classes. Family exerts a greater influence on the "middle" class than on the "high" class consumers, while popularity exerts lesser influence on the "middle" than on the "high" class consumers.

The evidence of a routine purchase of products for all the consumers, although to a differing extent, is borne out when the brand purchase motivations are analyzed. Price has a lower order priority among the three groups of consumers. Although, for the "middle" and the "high" class consumers, the popularity of the brand, the adoption of the peer group, the perception of the consumers themselves on the durability of the brand, and of family pressure, is important, it nevertheless bears out the conclusion that the purchase is mainly routine in nature, and the emphasis is only on the performance of the brand. The re-enforcement of the performance of the

brand is achieved on the evaluation of the quality of the after sales service of the brand by the "high" class consumers, and the influence of the recommendation of the dealer by the "middle" class consumers. **During brand purchase of products in the home and kitchen appliances' class, the "low" class consumers, place a higher order of importance to the aesthetics of the brand.** This is a re-enforcement of the conclusion that when products are purchased to fulfill certain social goals and especially the aspirational goals of the consumers there would be a corresponding emphasis on the aesthetics of the brand, even if the brand itself might not have been purchased for the fulfillment of aspirations. Of course, the "low" class consumers too emphasize the performance of the brand as is evident on the importance placed on the adoption of the peer group members, the perception on the durability of the brand, but primarily on the popularity, as similar to the consumers of the "higher" classes. Similar to the consumers of the "middle" class, these "low" class consumers too accord a higher order of priority to the recommendation of the dealer or the retailer. The evaluation on the quality of the after sales service though, is accorded a lower order priority. Nevertheless, it is quite clear that **the perception of these "low" class consumers in general is that, the dealers' recommendation is not only valuable but can also be viewed as interchangeable with the need for an evaluation of the after sales service.** The recommendation of the dealer therefore is an important aspect of what constitutes brand value to the consumers of the different social classes.

#### e) White Goods

**Of the twelve factors that are tested for its extent of influence, nine factors denote certain differences, while the remaining three factors denote no difference because of the differences between the social classes. The extent of influence of the aesthetic value of the brand, the quality of the after sales service, and the perception on the durability of the brand, is similar between the consumers of the three social classes.**

The extent of influence of price, aspirations, and the dealers' influence is different between the "low" and the other two classes of consumers. The influence of aspirations is lesser while the influence of the other two factors is greater among the consumers of the "low" class. The extent of influence of the popularity of the brand is greater among the consumers of the "low" class than of the "high" class. The "middle" class is influenced to a lesser extent than the other two classes by family pressures. The "high" class consumers are influenced to a greater extent by the ease of availability, the likability of the advertisement, and the prior experience of the brand than the other two "lower" classes. Peers influence the consumers of the three classes to a different extent, where its influence is greatest among the "low" class when compared to the other two classes.

**Price has an "intervening" influence on the extent to which social factors can influence brand choice for the "low" class consumer. This is concluded on the**

following rationale: A higher order of importance of the aesthetic value of the brand has been observed, but its influence is considered only after evaluating the price differentials between competing brands. Therefore, although value can be created by an improvement of the aesthetics of the brand, if price differentials are wide, it is quite likely that inspite of its aesthetic appeal the "low" class consumer would not purchase it. This is not to imply, as already stated, that aesthetic value has lesser importance. As noted earlier, the extent of influence of this factor on all the social classes is similar, therefore the potential of the aesthetics of a brand to swing in favor of a brand purchase cannot be overlooked for the "low" class consumer. This is because of not only the desire to be identified in a "higher" stratum through purchase of a product from the white goods class. Even for these "low" class consumers, aspirations have a brand value, but since it is much lower in the scale of importance, and especially with the "intervening" effect of price, the influence of meeting aspirations through brand purchase is not fulfilled.

**"Middle" class consumers are not as influenced by price as are the "low" class consumers.** This is evident not only from the differences evident in the extent of influence of the same, but also evident because of the lesser importance of this factor, within the class itself. This though, is not to suggest that price is not an important factor, when its importance is evident from the sixth rank accorded to it, from among all the twelve factors. **While the "low" class consumers have attempted to reduce their risks by placing greater importance on their own perception of durability, and the adoption of the brand by their peers, the "middle" class consumer attaches importance on her/his independent observations on the quality of after sales service.** At the same time, s/he attempts to fulfill desires of aspiring to a "higher" stratum by according importance to the aesthetics of the brand. For the "low" class consumer the quality of the after sales service and the dealers' recommendation is subsequent, in that order, to the importance of the aesthetics of the brand. Therefore, **the difference between the "middle" and the "low" class consumers lies not only on the extent of influence of factors, but the essential difference is on the order of importance of the aesthetics of the brand and its price.** "Middle" class consumers can therefore be said to be lesser influenced by price than the aesthetics of the brand.

**There is a chasm between the "high" class and the two "lower" classes.** This is inspite of the extent of influence over three important factors being similar among the three classes. These "high" class consumers place high priority to the aesthetics of the brand. This is due to the importance that is placed on the aspirations of the consumers. On the one hand, these consumers were similarly influenced as the other two "lower" classes, on the order of importance of aspirations during product purchase, while on the other hand, these "high" class consumers differ from the two "lower" classes on the extent to which they are influenced by their aspiration during product purchase. Aspirations induce the "high" class to a lesser extent than the other two classes during product purchases. Therefore, **the relatively high importance of the aesthetics of the brand is concluded to be so, not due to the desire to "reach" a "higher" stratum through product purchase but, because of the value that the brand offers to**



**"reach" a "higher" stratum.** Aspirations are indeed fulfilled by the brand, is amply evident from not only the greater extent of influence of the same between the classes, but also the order of importance that is placed on this factor- where it is sixth in the order of priority. Hence, it is in this context that the aspirations of these "high" class consumers are fulfilled. This is important because evidence points to the relatively high importance placed on the looks of the brand, over other factors that represent assuring longevity to the brand, as also its smooth functioning. This is not to imply that the performance of the brand is not important, but that the desire of the consumer to be identified in a "higher" stratum through brand purchase is so strong that it attempts to overshadow the importance of the performance of the brand.