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## Impact of Advertisement on Consumer Behaviour for Home Appliances in Madurai City, India

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### **Abstract:**

*Advertising is the key for building, creating and sustaining brands. Advertising is a form of communication intended to convince an audience (viewers, readers or listeners) to purchase or take some action upon products, information, or services etc. Advertisements play a major role in persuading, informing and reminding both potential and existing customers towards making a buying decision. It plays a vital role in shaping dreams and aspirations and helps customer take conscious product and brand decisions. Advertisements with endorsements create easy remembrance for the customers for the advertised brand or product as the customers associate the brand with the celebrity and can easily register the brand. Some products or brands will hold a stronger position in the mind of the customers compared to others from the same category. Position of a brand in the mind of the customer is always relative. When a brand's name is recalled before others it is called top of the mind positioning of that brand. Advertising also helps in creating Top of the Mind Awareness of a brand and aims at facilitating brand recall. The focus of this paper is to study the impact of advertisement on consumer behaviour for home appliances.*

**Keywords:** Advertisements, marketing, consumer buying behaviour

### **1. Introduction**

Advertising is a form of communication used to persuade audience, viewers, readers or listeners to take some action with respect to products, ideas, or services. Most commonly, the desired result is to drive consumer behaviour with respect to a commercial offering, although political and ideological advertising is also common. Advertising messages are usually paid for by sponsors and viewed via various traditional media; including mass media such as newspaper, magazines, television commercial, radio advertisement, outdoor advertising or direct mail; or new media such as websites and text messages. Commercial advertisers often seek to generate increased consumption of their products or services through "Branding," which involves the repetition of an image or product name in an effort to associate certain qualities with the brand in minds of consumers. Non-commercial advertisers who spend money to advertise items other than a consumer product or service include political parties, interest groups, religious organizations and governmental agencies.

### **2. Review of Literature**

- Moschis and Mitchell (1986) conducted a study designed to test the effects of television advertising and interpersonal communications on the teenager's consumer behaviour. Unlike previous studies, however, the effects of such communication processes on teens are evaluated in the context of household decision making. Thus, the influence of these images may be of enormous significance in shaping the attitudes and behaviours and attitudes of young people.

- Romaniuk and Sharp, (2003) in his article "Brand Salience & Consumer Defection in Subscription Markets" depicted the major aim of advertising is to impact on buying behaviour; however, this impact about brand is changed or strengthened frequently in people's memories. Memories about the brand consist of those associations that are related to brand name in consumer mind. These brand cognition influence consideration, evaluation, and finally purchases.

- Smita Sharma, (2005) in his article “Celebrity Endorsement” reveals that as a part of marketing communication strategy are common among organizations around the globe. The celebrity endorsements industry today is estimated to be a one fifty-two to two hundred crores industry, and growing. Celebrities are the million dollar babies of the advertising world, attracting a lot of money for themselves and the products they endorse. However, companies need to choose celebrities carefully, a wrong decision will tarnish the company’s image, while a right choice will result in benefits that are unimaginable.

### 3. Statement of the Problem

In the present competitive world, every business concern attaches too much importance to advertising, irrespective of the size and nature of product dealt, in. Many of the modern marketing Executives rely mostly on advertising for finding solution to various problem and getting many of their objective achieved. Especially, when there is a decline in sales or there is an intention to still increase the sales, massive advertising is resorted to by the management to influence the consumer and thereby to increase the sales to the expected level. So, the naturally it involves the great financial commitment. But every concern is curious to know the usefulness or the amount spent on advertising. For that purpose, they compare the sales before and after such advertising campaign. The increase in sales is attributed is justified. But in fact, any increase in sales may not be just because of any single reason. Consumer behaviour is influenced by various factors and thereby increase in sales may be due to various reasons. So, viewing the advertising, as solely contributory for any increase in sales, may not hold good on all occasions, it has been the usual practice, on the part of every manufactures, to evaluate the effectiveness of his advertising campaign effective whatever be the effectiveness of an advertising campaign. An increase in sales may not be just because of such advertising but may be due to various other reasons.

But, today the amount spent on advertising by manufactures in the country goes on increasing. So, the researcher has attempted to study how far advertisements influence the behaviour of consumers so as to take a favorable purchase decision and there by the researcher wants to justify that the valuable resources flowing into advertising industry serve some purpose. By means of gathering the opinion of consumer on advertising and analyzing the extent to which advertising influences consumers, the researcher has attempted to bring to light the significance of advertising in marketing and also to justify that resources spent on advertising are not wasted but fruitfully utilized to reach the consumers.

Moreover, consumers make use of various products for which so many advertisements appear, every now and then through various mass media. But in order to make the study more specific and accurate the researcher has selected Impact of Advertisement on consumer behaviour of Madurai city, as to the extent to which their purchase decision, is influenced by advertisement.

### 4. Objectives of the Study

1. To study the personal profile of consumers in Madurai city.
2. To study the various consumer behaviour patterns at the time of buying the home appliances
3. To provide valuable suggestions and conclusion on the basis of the analysis.

### 5. Methodology and Sampling

The researcher has formulated interview schedule on the basis of the literature relating to the subject of advertising. It is necessary to check interview schedule before actual research is done. In this case, pilot testing was done of 30 respondents and based on feedback was fine-tuned.

The study was confined to Madurai city. From this city 100 respondents were selected for the study based on their co-operation and willingness to respond. The simple percentage tool is adopted for the analysis purpose. In this study television, VCD, music system, washing machine and fridge are taken as home appliances for analysis.

### 6. Data Collection Method

Both primary and secondary data were collected. The research instrument for primary data collection was interview schedule. The secondary data were collected from books, journals, reports from Government records.

### 7. Summary of Results and Discussions

- From the analysis of respondents, it is found that the survey was conducted among 54 males and 46 female respondents.
- 33 Respondents are in the age group of 40-50 and 31 respondents are in the age group of 20-30 which shows that some of house wives are under age of 20-30 and survey was also conducted among respondents having age of 50-60 also.
- Most of the female respondents are under the age of 30 and the male are in the age above 60.
- Almost all the respondents are having TV and Music system. Radio is also included in the music system. 81 persons are having Fridge. Fridge is inevitable in houses where both husband and wife are employed. Only 56 persons are having VCD.
- Only 22% of the female respondents are not having Washing machine, whereas 31% of male respondents are not having washing so employed female respondents are preferred to have washing machine in their house.
- Among the respondents 22% of the male respondents are not having Fridge and only 15% of the female respondents are not having Fridge. Non-ownership level of fridge is less than now ownership level of washing machine. This means Fridge is widely used than washing machine.
- Based on this study 65% of the people are influenced by Advertisement for the purchase of TV. The corporate is spending huge amount for the TV advertisement to attract and convince in the customer. The Relatives are also having significance

influence in the purchase of TV. Comparatively influence of advertisement for the VCD is less than TV and relative influence of Relatives are greater. Reduction in ad is taken over by friends and relatives. Influence of friends for Music system is very much Significant when compared to TV and VCD. In fact, influence is more than the Influence of relatives.

- The level of influence of Advertisement on the purchase of Fridge is not much significant.
- Influence of advertisement for Fridge is 54% whereas influence friends are only 9% which is insignificant when compared to 54%.
- When total comparison made on all factors for all home appliances it is observed that for all home appliances advertisement plays very vital role in influencing the purchase decision. Only on music system friends are having mentionable significance. This is because people buy any music system what their friends are having.
- On an average the influence of advertisement on purchase behaviour is 54%. This influence of relatives is 25%.
- Since the advertisement is having very heavy influence so it's influencing percentage is analyzed separately. Advertisement influence for TV is 65%. Its influence for music system is 43%.
- Most of the decision is taken by both husband and wife joins together. Influence of educated children is only 5%. Even though these are items concerned with housekeeping activities only 4% of females are taking decisions which less than all other categories of decision makers.
- In the market attributes people give main importance to advertisement. The TV manufactures are creating brand image by frequent Ad in the TV.
- The Respondents give 15 % importance to quality. 12 % importance is given to brand name. The advertisement occupies 50 % importance in the market attributes for VCD. The product features and quality are having 16 % influences in purchase decision. People are not giving any significant importance to after sales service. This is because if there is any mistake if there is any mistake they are getting it repaired from nearby mechanic,
- In the music system quality occupies very significant place. They are looking for quality sound from the music system. The appearance is not having any big role for music system. The price is having only 7% influence in deciding.
- The Brand name occupies 15% importance for washing machine Again Advertisement is the major factor for marketing for creating awareness and influencing people to take purchase decision. The quality and price are not having any significant importance.
- When the factors are considered for all home appliances it is noted that there is difference in importance only in quality between different consumers for example. Importance is given to music system whereas only 7% importance is given to washing machine for quality.
- Among the respondents 38% of the people feel that the frequent advertisement always results in positive response. 18% of the feel the frequent advertisement will not have any additional influence in the purchase decision. The repeat advertisement is given for two purpose one is to have penetration into the consumers. i.e. to have a more reach and another is to influence the potential consumers to make purchase decision.
- There is no much significant difference between male and female in their opinion about effectiveness of repeat advertisement. In all the categories, the opinion is not the same line.
- The rule of thumb is the consumer has to purchase things according to his requirement. But sometime the advertisement creates need for the product and people get influenced by the frequent advertisement. 19% if the people say that advertisement leads to the purchase of insignificant items. 69% of the people of the opinion that the advertisement will not result in the purchase of ant in significant items.
- There is a general opinion that female get influence by frequent advertisement but the respondent view is different 71% of the female say that will not buy any in significant items because of advertisement which is more than male category which is only 66%
- The advertisement is given to increase the sales. Even though there is relationship between advertisement and sales but advertisement can not
- Considered as a cause for sales. The main purpose of advertisement is to communicate certain information. Of course, it is true the advertisement influence the people to purchase without understanding the negative points of the product. So, 89% of the people say that advertisement is a means of communication and 11% of the people feel that the advertisement is also misguide the people.
- Around 65% of the people have purchased during seasonal periods. Basically, there are two reasons for this. First the marketers are offering hefty Discounts and all types of promotional activities they are doing during seasonal periods like Diwali, Pongal, New Year, and Christmas so the customers are getting benefit. The companies are given festival advances to people so people are also having money to purchase the articles.

## 8. Suggestions

- Consumers give maximum preference only for cash payment. But at present, credit cards were introduced and this card was used by the consumers for purchasing any kind of home appliances.
- In case consumers belong to middle income group then they show great attitude towards purchasing home appliances on credit basis
- Female shows much importance to the sentimental values while purchasing a home appliances than male.

- There should always exist a relationship between male and female respondents with regard to various attributes of purchasing home appliances.
- Regarding advertisements only the female consumers are attached than the male consumers and they are not influenced by the sales talk of the salesman.
- Consumers give much importance to the advertisement than the sales talk.
- In case there is strike balance between price and quality consumers show maximum attitude towards reasonably priced than better quality products.
- In case if the consumer needs home appliances (i.e.) washing machine, they collect sufficient information from the persons who have already possess the home appliances (i.e.) washing machine.

## 9. Conclusion

Family members play an important role in making a purchase decision. They are attracted to wards advertisement rather than sales talk of the salesman. Hence the manufactures should concentrate more towards advertising so that it attracts the Family members. Free incentives may be given along with the product in order to attract the consumers so that sales will be increased to a considerable extent. Manufacturers must try to improve the quality and utility of the product because the consumers are attracted to wards the quality and utility rather than the attractive look of the product.

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