



CONSUMER BUYING PREFERENCES ON HOME ENTERTAINMENT PRODUCTS

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Abstract

In the most general terms, a decision is the selection of an action from two or more alternative choices. In other words, for a person to make a decision, a choice of alternatives must be available. If a person has a choice between making a purchase and not making a purchase, or a choice between brand X and Y, that person is in a position to make a decision. A 'no-choice' decision is commonly referred to as a "Hobson's choice". Thus if there is almost always a choice, then there is almost always an opportunity for consumers to make decisions.

Key Words: *Consumer, Decision, Product.*

Introduction

Consumer preferences / expectations play a vital role in deciding the level of satisfaction. The first phase of analysis in this respect is carried out to determine the level of preferences / expectations prevailing among the selected sample consumer of Television and Audio system and also to find out the inter relations among the various consumer preference variables. The present paper discusses the responses collected from the consumers pertaining to their preferences by analysing the results with the appropriate statistical tools.

Wide Acceptance of DVD players

In the two year period since DVD players have been commercially introduced, they have out placed the introduction of many other audio / video products including VCR's and CD players. The players offer high resolution video and multi-channel sound. The video is MPEG 2 and audio AC3 (USA) MPEG2 (Europe), DVD players can play movies either in 4:3 or 16:9 format and the software allows multiple language audio tracks, subtitling and even multiple camera angles. Laptop models with LCD view screens have also been introduced.

Digital Interface Standards

Standards for digital interface are being set out and this will permit digital TVs to accept digital signals from set top boxes, digital VCRs and inter-connectivity of various digital consumer products without having to go through D/A conversion. IEEE-1394 (Fire Wire) is expected to be widely used as standard.

Home TV as Home Information Terminal

Globally efforts are being made to position Home TV, as Home Information Terminal. This is guided by the fact that the number of TV sets in place is much higher than PCs. Also more number of TV sets are connected through cable than are Home PCs on the net. Cable is expected to emerge as a major delivery medium for multimedia broadband services. According to a forecast, 50 percent of the Internet access by 2002 will be from non-PC devices.



Mini Disc

The product was offered in the market as a portable digital recording format in competition with analog cassette. The 2.5 inch discs are clad in a protective cartridge (like 3.5 inch floppies). Music is stored in much the same way as files are stored on a floppy or hard disc.

MP3

The music files in compressed form (MPEG I, Layer 3) can be stored in solid state flash memory cards. The MP3 files can either be downloaded from the web or created from music CD using CD-ROM drives and ripper / encoding software. Typically players with 32 MB flash memory are offered and each MB records one minute of music compressed at 10:1. Higher Compression upto 20:1 reduces the quality of music but still better than FM radio quality music.

Speaker Systems

Significant changes have appeared in speakers. Following the popularity of home theatre systems that require four to six speakers matched to delivering big sound. The demand is for speakers requiring less space. Demand for active sub-woofers.

Digital Radio Receiver

Digital broadcast has commenced with CD quality sound. The broadcasts offer data services, which can be viewed on an integrated monitor. These could be sports, stock prices or entertainment guides.

Statement of the Problem

The Consumer behaviour and satisfaction depend upon various aspects like comparing the existence of the attributes of preference, after-purchase checking of the quality on the basis of expected satisfaction. The main problem of the study is to examine whether the consumer satisfaction entirely depends upon the quality, utility and the after sale service of the product.

Objectives of the Study

1. To know the consumer preference for specific attributes and their influence on purchase of home entertainment products;
2. To make suggestions to improve consumer preferences to purchase home entertainment products.

Scope of the Study

The study focuses on the consumer behaviour relating to the areas of consumer purchase preference, consumer satisfaction, complaining behaviour and sales promotion with respect to the home entertainment products. It is the middle class that constitutes the largest consuming sector for entertainment goods in the country today. As far as our country's economy is concerned, it is entirely leaning upon the middle class and upper middle class families. So it is found that exploring the behaviour of the above mentioned consumers would give certain torrent of useful result for the manufacturer to catch or to maximize the consumers. The study has got further scope in analyzing the elements of consumer behaviour like preference, satisfaction, reaction to the failure of the product and sales promotional activities.

Factor Analysis for Attributes of Audio System

The Factor analysis by principal component method is applied on fourteen variables for Audio system and reduced into three major factors called Basic Features, Extra Features and Special features.



Table- 1.1, Total Variance Explained

Component	Initial Eigen values			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.299	30.706	30.706	2.987	21.336	21.336
2	1.342	9.589	40.295	2.036	14.544	35.880
3	1.273	9.092	49.388	1.746	12.470	48.350
4	1.156	8.255	57.643	1.301	9.293	57.643
5	.939	6.704	64.347			
6	.769	5.491	69.838			
7	.696	4.974	74.812			
8	.682	4.871	79.682			
9	.571	4.082	83.764			
10	.546	3.899	87.663			
11	.516	3.685	91.348			
12	.493	3.521	94.869			
13	.373	2.665	97.533			
14	.345	2.467	100.000			

The obtained factors comprise the following variables:

FACTOR – 1: BASIC FEATURES

- 14. Guarantee
- 11. VCD Compatibility
- 13. MP3 Compatibility
- 12. Digital Tuning
- 2. Remote Control
- 10. Surround Sound
- 4. Stereo effect

FACTOR – 2: EXTRA FEATURES

- 8. Dynamic Bass Boost
- 9. Detachable Speaker
- 7. Graphic Equalizer

FACTOR – 3: SPECIAL FEATURES

- 1. Built – in Mike
- 3. Elegant look
- 5. Tone Control

Different Brands and Consumer Audio Preference

One-way analysis of variance is employed here to find the significant different in the variance of consumer preference with respect to different brands of audio.



Table - 1.2,ANOVA

		Sum of Squares	df	Mean Square	F	Sig.
Basic feature	Between Groups	155.730	9	17.303	1.305	.231
	Within Groups	6497.270	490	13.260		
	Total	6653.000	499			
Extra feature	Between Groups	84.923	9	9.436	2.054	.032
	Within Groups	2251.365	490	4.595		
	Total	2336.288	499			
Special feature	Between Groups	37.659	9	4.184	.908	.518
	Within Groups	2257.549	490	4.607		
	Total	2295.208	499			

It is found that the different brands of audio system differ significantly on extra features (F=2.054). So the brands in the market differ significantly in possessing innovative extra features.

Discussions - Materials, Methods and Results:

An analysis of the study carried on so far, reveals certain characteristics of consumer behavior, especially in the purchase of entertainment products viz., Television and audio system. It is found from the consumer behavior towards purchase of TV that the consumers consider that in addition to certain basic and essential features, other special and additional features such as different entertainment facilities, inbuilt accessories etc., are also the consumers concentrate on basic features, clarity of sound and other special facilities during the purchase. A marked difference is however noticed in the attitudes of the family members in their preference to purchase a particular television and audio. When the heads of the family themselves are the deciding group, they take meticulous care for the essential basic features and clarity of pictures and sound which spouses of the consumers induce them to concentrate on additional features. When children of the consumers also participate in the purchase decision, they make the consumer to go in for various entertainment features as well.

Data leads to the inference that the consumers are aware of the different attributes present in different brands. They have the opinion that the common inbuilt accessories are one and the same in all brands and that different brands possess different extra features alone. The consumers normally get the information about different features of television and audio system from different sources. From advertisements, they directly get information about the basic and other inbuilt features. Friends, relatives and colleagues assist them in getting information about additional features, entertainment provisions inbuilt accessories etc., available in different products. Dealers, in their outlets, display their products and explain about the inbuilt accessories, special features etc., of each brand / make, which all help the consumer to arrive at a decision. As regards the consumer preference with reference to different features/ attributes available in Television, around 60% of the consumers prefer the general and essential attributes of Television, 19% look for the special and extra features and the remaining 21% do not show



much enthusiasm for the attributes of preference. Similarly in audio system, 52% are moderate in their preference, 12% prefer the special attributes and 36% are not enthusiastic about the different attributes of audio. It is seen that the screen size of the televisions is not much associated with consumer preference, whereas the mode of payment has a definite impact on their decision. Besides the special and extra features, the quality has a definite impact on consumer preference. It is also found that this search for quality is independent of all demographic variables. Of late, the brand image does not seem to play much role in consumer preference; rather, it is the quality that plays a major role in decision making.

The price also plays a crucial role. When the customers pay more, they expect better quality and performance in the system, besides certain extra facilities as well. The general expectation is, the higher the price of the television or audio, the more shall be the compatibility and safety aspects. The consumers make enquiries regarding the exchange / resale value also while making purchases; however, it does not bring significant changes in their purchase preference, compared to the price and the mode of payment. When the home entertainment products do not satisfy the consumers, it leads to two outputs as consequence. – One is filing complaint to the dealer / producers and the other one is ‘negative consequence’. Around 60% of the consumers immediately react to the failure and 40% react slowly. The cluster of complaining behavior of the consumers does not vary much with respect to demographic variables and the prior purchase decision making process. Nor does it depend on their choice to buy a particular brand or the mode of payment. The negative consequences include stop buying the brand, sharing their bad experience with friends and relatives, trying to sell the product at a low cost and the likes. Though these are the indirect attitudes of the consumers, they have far-reaching consequences affecting the fame and sale of the product concerned.

Suggestions and Conclusions

1. The present day consumer possess high awareness on the day – to – day electronic advancement and they extra – ordinary and multipurpose features of Television and Audio system. They want to buy the best product in terms of utility and service. Therefore the manufacturers may suitably design their advertisements highlighting the technology involved and additional features.
2. It is really a good trend that even though the youngsters give importance to various entertainment features attached to the Television / Audio product they buy, the elders are still particular about the structural soundness of the equipments and their utility. When all the members of family take part in purchase decision process, naturally they end up with the purchase of the best available in the market. This suggests that the manufacturers should take care of quality of the product in addition to attractive features for survival in the market.
3. Above all, consumer satisfaction is the most important criteria in the sales promotional activities and long range maintenance of the sales. This can be achieved only by delivering genuine goods of multinational standard with warranties, after – sale service with promptness and sincerity, replacement facility in case of unexpected faults or failure of the system etc.

In short, the survey carried out on the consumer behavior, with special reference to the purchase of entertainment products of television and audio, leads to the conclusions. The consumers get information about the different features available in these products through different sources of information viz., advertisements, friends, colleagues, dealers etc., and then they verify which of the available brands could satisfy their expectations. Besides the basic and essential features in a TV/Audio, the general consumers prefer additional features, such as entertainment features. The purchase preference depends upon the demographic variables of the consumer family. While the elders go in for products with



general and essential attributes and brand names, the youngsters prefer products with special and extra features and inbuilt accessories to cater to their entertainment tastes.

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