

IMPACT OF CUSTOMER VALUES ON PERSONAL COMPUTER PURCHASE: A STUDY ABOUT THE RURAL MARKET OF JALOUN DISTRICT UTTER PRADESH

Ajit Singh

Abstract

Rapid urbanisation of rural areas has compelled a large number of the population into the cities and because of this consumption pattern and living standard is also changing very drastically. Especially, after opening up of the economy, cashless transaction, the pace of change that India and its people are experiencing in their socio-cultural milieu is amazing. India, with its wide diversity, offers a fascinating scope to study the host of changes which developmental activities have brought about in its social & economical framework. Due to the advancement of IT in all areas, whether it may be urban or rural, the need of computers is constantly increasing. The purpose of the study is to make an analysis of computer purchase in rural regions catapulted by factors like customer values.

Keywords: Customer values, Consumer behaviour, Rural Market, Personal Computer.

Introduction

Proliferation of IT and fast urbanisation is the witness of rapid development of rural market. Due to advancement of IT and urbanisation, purchasing behaviour of rural customer is changing drastically. Purchasing behaviour is driven by complex Customer Values which have high influence on customer choice of the brands, products or distribution channels and the buying. (Valters K. 2010).

Computer is one of the largest untapped markets in the rural area of India so there is large number of opportunity available to the computer manufacturer. The determinants like values have a great impact on buying behaviour of rural people especially in India where different kind of culture and people live together. This study will help the computer manufacturing companies to make their strategies in the rural areas for being successful in rural market of Uttar Pradesh.

CUSTOMER VALUES

Customers are influenced by internal states and external factors that trigger their impulse purchase behaviour. Since impulse buyers do not set out with a specific goal to buy a certain product or visit a certain store, while browsing and being exposed to the stimuli,

impulse buyers feel the desire for the products by being aware of the products, and this desire can be created by internal statement/mood or/and external stimuli. The awareness of the products, which can satisfy the desire, can be achieved by attractive visual presentation of merchandise that provides information regarding new products, fashion trends, or coordination tips.

Consumer behaviour is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires. In the marketing context, the term 'consumer' refers not only to the act of purchase itself but also to patterns of aggregate buying which includes pre-purchase and post-purchase activities.

Computer is one of the largest untapped markets in the rural area of India so there is large number of opportunity available to the computer manufacturer. This study will help to the computer manufacturing companies to make their strategies in the rural areas for being successful in rural market of Uttar Pradesh.

CUSTOMERS' VALUES AS DETERMINANT FOR PURCHASING BEHAVIOUR

Values play an important role on the consumer behaviour thus serving as determinant for his/her decision making in a choice among brands, products or in any situation where it is difficult to choose the product. It is widely accepted that the choice criteria are based on individual's social values. Selection procedures are influenced by the criteria people have set for themselves to select and justify own and others actions (Schwartz, 1992).

CUSTOMER VALUE

According to Tapan K. Panda, "The total Customer Value, is the perceived monetary value of the bundle of economic, functional and psychological benefits that consumer expects from a given market offering". Customer's perceived value is the difference between the prospective customer's evaluation of all the benefits and all the costs of an offering and the available perceived alternatives.

Definitions of Values

Tapan K. Panda 2009 is the perceived monetary value of the bundle of economic,

functional and psychological benefits that consumers expect from a given market offering

Milton Rokeach 1979 an enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence

Schwartz 1994 desirable trans-situational goals, varying in importance, that serve as guiding principles in the life of a person or other social entity

These set of values are classified as functional or utilitarian value, social value, emotional value, epistemic value and conditional value. These values are often found in the purchase of categories like food, grocery, computer peripherals, sporting events and games (Tapan K. Panda 2009).

The functional value of a consumer choice is the perceived functional, utilitarian or physical performance utility received from the choice (product)'s attributes. It is associated with economic utility theory, popularly expressed in terms of rational economic reason. At the heart of such a value definition, is the set of attributes like reliability, durability and price. When somebody purchases a bar of soap, he is buying it for the purpose of washing.

Difference in customer's preference, their cognitive structures and their motives cause them to behave differently when buying. Although an individual doesn't act the same way in all situations, people tend to act consistently, we may identify three groups of consumers by their buying behaviour.

The social value of a choice is the perceived utility acquired because of the associations between one or more specific social groups and consumer choice. A consumer's choice gains social value by being linked with positively or negatively stereotyped

demographic socio-economic and cultural-ethnic groups i.e. reference groups. Choices involving highly visible products like bicycles and food and services to be socially shared like gifts, products used in entertainment are often driven by social values.

The emotional value of a choice is the perceived utility acquired from its capacity to stimulate i.e. consumer's emotions or feelings. A choice acquires emotional value when associated with specific feelings or when it triggers or sustains those feelings. Products and services are frequently associated with emotional responses. What can be the emotional value associated with a detergent cake? It is definitely related to the health of the consumer's children and the protection that it provides to his/her family members.

The epistemic value of a choice is the perceived utility that comes from the choice's ability to foster curiosity: provide novelty and satisfy a desire for knowledge. New purchase and consumption experiences, especially, offer epistemic value. However, even a simple change like a shift from one ice cream flavour to another also provides the consumer with epistemic value. Since all new products provide some novelty, marketers should try to build some novelty around the product.

Conditional value of a choice is the perceived utility acquired by a choice as an outcome of some particular situation or circumstances facing the customer e.g. products associated with a particular time or event like coffee at breakfast. Some products have specific climate or location benefit like sunscreen lotions; some are associated with once-in-a-lifetime events like purchase of the first car. And some are used only in emergency situations like a dentist on a Sunday afternoon. Conditional value is served best when we associate.

CLASSIFICATION OF CUSTOMER VALUE.

The three central propositions behind this classification include the following:

1. Consumer choice is a function of a small number of consumption values.
2. Specific consumption values make differential contributions in any given choice of situations.
3. All the consumption values are independent of each other.

Values could be defined in several ways, for instance, in the economic context values are often referred as individual choices, preferences and tastes. Hereby author suggests that the choices or preferences are not values themselves however, they are the consequences of the application of individual values in a process of choice. Values are desirable trans-situational goals of variable importance applied as broader guiding principles by a person or social entity (Schwartz, 1992). They serve as criteria for judgment, preferences, choice and decisions as they underlie the knowledge, beliefs and attitudes (Rokeach, 1968). Basically, the purchasing behaviour of the customer reflects the actions which are based on a consequential relationship between his/her values and consequential wants and actions.

OBJECTIVES OF STUDY

1. To ascertain the impact of customer values on personal computer purchase in rural market.
2. To find the source of information for purchasing the Computer.

REVIEW OF LITERATURE

According to Milton Rokeach, value is defined as "a lasting conviction that a specific mode of demeanour or end-state of existence is individually or socially preferable to an opposite or communicate on mode of demeanour or end-state of existence" (Rokeach, 1968). Values are desirable trans-situational goals of variable importance

applied as broader guiding principles by a person or social unit (Schwartz, 1992). They serve as criteria for judgment, preferences, choice and decisions as they underlie the knowledge, beliefs and attitudes (Rokeach, 1968). Human values as determinants play an important role for consumer purchasing decisions (Allen, 2001). A notable shift in human values analysis was marked by (Schwartz 1992), he developed systematic theory of the content and organization of individuals' value systems called the Values Theory. This theory identifies the buying behaviour of individual and groups with comprehensive set of 10 different types of cross-cultural values, namely Benevolence, Universalism, Self-direction, Stimulation, Hedonism, Achievement, Power, Security, Conformity, and Tradition. Consumer segments with different value structures demonstrate different purchasing behaviour towards products with differentiated physical and non-physical attributes (Krystallis 2012), and Uttar Pradesh has different languages, food, customs and cultures across the Uttar Pradesh, PHD Research Bureau (2011). If the construct has to receive wider acknowledgment and generalisability, there is a need for studies on rural consumer values spanning over varied cultures and contexts in context of Personal Computer purchase. Values affect purchasing behaviour of consumers indirectly and supposed to be mediated by the beliefs which are stronger in making the decisions. Hence, on this variable, hypothesis has been formulated to determine the impact of customer values on purchase of computer for personal use:

H1: Values determinants will have a positive impact on the purchase of a Personal Computer in different culture scenario of rural Uttar Pradesh.

RESEARCH METHODOLOGY

For the purpose of the study rural consumer are asked to rate Personal Computer

determinant (Customer Values,) on 5 Point Likert Scale for Personal Computer.

SAMPLING PLAN

The study restricted to the rural market of Jaloun District.

Sampling Unit: For the research total 31 respondents were selected.

Sampling Techniques: For the study simple random sampling technique was used. In this sampling method, the data collected on convenience basis. The secondary data for this particular study were collected through journals, periodicals and other existing reports that were based on the subject.

The study depends mainly on the primary data collected through a well-framed and structured questionnaire to elicit the well-considered opinions of the respondents. Mostly, close-ended questions were asked to analyse the pre-determined objectives

Table 1: Model Summary

H01: There is no positive relationship between Values determinants and purchase of Personal Computer in rural Uttar Pradesh

Regression Statistics	
Multiple R	0.773665783
R Square	0.698558744
Adjusted R Square	0.539768737
Standard Error	0.938392679
Observations	31

ANOVA					
	df	SS	MS	F	Significance F
Regression	16	18.38155	1.148846622	1.30	0.311527408
Residual	14	12.32813	0.880580819		
Total	30	30.70968			

- a. Dependent Variable: Personal Computer Purchase.
- b. Predictors: (Constant), Customer values

From the model summary, it has been revealed that the positive association between personal computer purchase and customer value is .773 (Its large value indicates a strong relationship) since the significant value (p-value) 0.3 is greater than to 0.05. Therefore, we may reject the null hypothesis and conclude that there is significant association between personal computer purchase and customer values.

SOURCE OF INFORMATION

In this study, it is found that rural consumer get the information, Friends (65%), followed by Personal computers Retailer. (15%), TV (13) and News Paper (7) as sources of information to purchase personal computers.

CONCLUSION

Last few years has been witnessed of change in Indian consumer durable industry. Changing lifestyle, higher disposable income coupled with greater affordability. The paper intended to study the effect that customer values has positive consumer effect of buying behaviour of rural consumer.

The study has several limitations that future research can address.

First: Study is restricted to Jaloun District.

Second: This study does not focus on other products like FMCG and Agriculture.

REFERENCES

1. Allen, M. W. (2001). "A practical method for uncovering the direct and indirect relationships between human values and consumer purchases", in *Journal of Consumer Marketing*, Vol. 18. No. 2. Keller and McGill (1994), "Differences in the Relative Influence of Product Attributes under Alternative Processing Conditions: Attribute Importance versus Attribute Ease of Imagability," *Journal of Consumer Psychology*, 3 (1),29-49.

2. Krystallis, A. (2012) *The usefulness of Schwartz's 'Values Theory' in understanding consumer behaviour towards differentiated products* in *Journal of Marketing Management* Vol. 28, Nos. 11–12, October 2012, 1438–1463.
3. Malviya et al., (2013) *A Study on the Factors Influencing Consumer's Purchase Decision Towards Smartphones in Indore* *International Journal of Advance Research in Computer Science and Management Studies*, Vol. 1, No. 6, pp, 56-68.
4. Mowen & Michael Minor (1998) *"Consumer Behavior"* fifth edition Prentice-Hall, 1998.
5. Neshat Choubtarash, et al. (2013) *'The study of the relationship between consumer involvement and purchase decision (Case study: Cell phone)'* *Institute of Interdisciplinary Business Research*. VOL 4, NO 12 pp. 276-296.
6. Rockech, M. (1968) *"A Theory of Organization and Change Within Value-Attitude Systems"* *Journal of Social Issues*, Vol XXIV, Nov 1 1968
7. Schwartz, S. H. (1992). *Universals in the content and structure of values: Theory and empirical tests in 20 countries*. In M. Zanna (Ed.), *Advances in experimental social psychology* (Vol. 25) (pp. 1-65). New York: Academic Press
8. afarzadeh, H., Kheyri, B. Agha Seyed Agha, R. (2011), *"Effects of contextual factors, brand loyalty and brand switching On purchase decision of young consumers"*, *Marketing Management*, No.10, pp.65-94.
9. Santpal (2015) *Consumer Buying Behaviour –Towards Personal Computer* *International Journal of Research in Finance and Marketing*. Volume 5, Issue 4, pp.18-33.
10. Tapan K. Panda (2008) *Marketing Management: Text and Cases Indian Context*, Excel Books, Second Edition: New Delhi 2008
11. Valters K. *"The Impact of Customer Values on Purchasing Behaviour: A Case of Latvian Insurance Market"* *Economika IR Vadrba* 2010 15.
12. Vinson, D.E. Scott, J.E. and lamot, L.M., *"The Role of Personal Values in Marketing and consumer Behavior"*, *Journal of Marketing*, Vol. 11, April 1997, PP. 44-50.
13. Wilkie, W. L. & Dickson, P. R. (1985). *Shopping for appliances: consumers' strategies and patterns of information search*. Cambridge, MA: Marketing Science Institute.