



INFLUENCE OF PEER IN PURCHASE DECISION MAKING OF TWO WHEELERS: A STUDY CONDUCTED IN COIMBATORE

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Abstract

The automobile industry is one of the leading and largest industries in the world today. During the last decade, well-directed efforts have been made to provide phase lift to the automobile policy for realizing the sectors full prospective for the economy. Buyer behaviour occupies a pivotal place in marketing research. Enormous factors, including both internal and external to buyer, seem to extract an effective and efficient influence on the purchasing decisions of the buyer. An attempt is made in this present piece of research to find out the importance of peers on the buying behaviour of Two-wheelers with reference to buyers residing in and around Coimbatore city. Using purposive sampling technique 85 Two-wheeler buyers were identified and included as sample for the study. Peer Influence on Purchase Decision Making questionnaire developed by Clement.S. & Venkatapathy. R (2002) has been used to collect the data. Based on scope of the study initially the descriptive statistics was worked out and then F-test and Turkey's test were used to analyse the data in this study. The findings reveal a positive trend on the influence of peers on the decision making of the purchases.

Keywords: Buyer behaviour, peer, automobile, purchase, decision making.

1. INTRODUCTION

The automobile trade is one amongst the leading and largest industries within the world these days. Throughout the last decade, well-directed efforts are created to produce part elevate to the car policy for realizing the sectors full prospective for the economy. Steps like conclusion of licensing, removal of quantitative restrictions and initiatives to bring the policy framework in consonance with global organization needs have set the trade in a very progressive track. Removal of the restrictive setting has helped restructuring, and enabled trade to soak up new technologies, orientating itself with the worldwide development and additionally to understand its potential within the country. The educated and ability labours offered within the market helped relief policies have junction rectifier to continuous increase in competition that has ultimately resulted in modernization in line with the worldwide standards furthermore as in substantial cut in costs. Aggressive promoting by the motor vehicle finance corporations have additionally compete a major role in boosting automobile demand, particularly from the population within the middle financial gain cluster. The countries like Republic of India World Health Organization has the most important young population and also the neat and controlled economic process has used this chance within the right means. Most of the centre financial gain cluster has purchased their initial automobile solely during this amount thanks to the supply of the recourses. Throughout the centuries man has striven to expand his capabilities through the employment of machine. As a result of man wished to end his job quicker while not mistakes. His ever creative mind has perpetually devised ways in which to use tool to extend his skills to explore the globe around him. The inner fireplace to travel quicker, deeper, higher and more than before, not to mention his have to be compelled to notice new thrills, new adventures and new modes of transportation, the invention refinement of the bike appears an inevitable outcome.

1.1. TWO WHEELER INDUSTRY –INDIAN PERSPECTIVES

Motorcycles have created their debut round the year 1950; this section appearance at the 2 wheelers that have over the years caught the imagination of country. it had been within the year 1954 that the Indian government ordered for totalling variety of 800 motorcycles to man the Pakistani borders. Then came the Bullets that were at first launched in European nation as a 350cc bike and it had been upgraded to 500cc a year about later. These bikes have remained unedited, ejection some cosmetic changes that have undergone over the years. so one will say while not a lot of of a doubt that the 1955 Bullet was one among the initial hits of the Indian two-wheeler trade and until nowadays it continues to be a darling of the bike enthusiasts. Enfield Bullet had an in depth competition with another durable bike named Rajdoot; because the bike was robust enough to handle the rough Indian roads. The corporate had roped in Indian stud Dharmendra for the promotion of the bike. With quite one.6 million vehicles on the road the Rajdoot bike was one among the initial hits of the sooner years of two-wheeler history within the country. Once significant motorcycles were the order of the day, a comparatively lighter bike had caught on the imagination of the Indian 2 wheeler user. Ind- Suzukia bike launched by the then TVS Suzuki cluster was a second hit; but the bike couldn't sustain its initial success thanks to the high import content within the vehicle and fewer of localization. In scooters Bajaj Chetak has been massively to blame for adding momentum to the transport system of the country, until nowadays it remains one among the foremost palm

brands to own commence of the Bajaj stable. The scooter is called when the horse of legendary genus Rana Pratap Singh. These sets of 2 wheels became area of the Indian surroundings and are typically thought-about a representative of the Indian social class aspiration. Only a few two-wheelers are able to emulate the success that Bajaj Chetak has achieved over the years. Equally LML Motors enjoyed an inexpensive success with the launch of LML choose that came with new age technology and improved performance. Nowadays newer models of two-wheeler square measure coming into the market on a daily basis, slowly pushing these names down the memory lane. But names like Chetak, Rajdoot and Bullet can continually notice a mention within the history of two-wheelers within the country. (automobileindia.com)

1.3. FACILITATING FACTORS FOR BUYING BEHAVIOR OF TWO WHEELERS IN INDIA

According to SIMA there are six factors which will affect the buying of the Two Wheelers in India.

- Easy accessibility to cheap consumer loans
- The increase in the average income of the family.
- The reduction in duties and taxes.
- Convenience with regards to commuting as compared to the public transport system.
- Continuous innovations in technology making the bikes economic and fuel-efficient.
- The first choice among youths and teenagers.

Indian shoppers don't seem to be abundant exposed to different reasonably transportation apart from the general public transportation till 1990's. Once the liberalisation the higher than aforesaid factors area unit given freedom to use their power to extend the producing and sales in Republic of India. Because the market progressing to widen then came the matter of understanding the shopping for behaviour of the patron.

2. LITERATURE REVIEW

However, D'Costa (2002) argues that MUL's success isn't notably because of the support from bureaucrats. Rather, any firm that's pretty much as good as MUL in terms of scale economies, first-comer advantage, affordability, product novelty, client selection, finance schemes and intensive coupling networks would have performed furthermore, even within the absence of officialdom support. D'Costa has different criticisms regarding Pingle (2000). The major disadvantage of Pingle's study is that it ignores the problems associated with sector specific technologies and regional variations across the country. Piplai (2001) examines the results of relaxation on the Indian vehicle trade, in terms of production, marketing, export, technology tie-up, product up gradation and profitableness. Until the Forties, the Indian car trade was non-existent, since automobile were foreign from General Motors and Ford. In early Forties, geographical area Motors and Premier car started, by commerce power from General Motors and decree severally. Since the Fifties, a number of different corporations entered the marketplace for two-wheelers and industrial vehicles. However, most of them either foreign or indigenously made auto-components, until the mid-1950s, once India had launched import substitution programme, thereby leading to a clearly separate auto-component sector. McKinsey (2005) predicts the expansion potential of India-based automotive element producing at around five hundred per cent, from 2005 to 2015. This report describes

the initiatives needed from trade players, the govt and therefore the ACMA to capture this potential. This study was supported interviews and workshops with twenty suppliers and seven OEMs and survey with ACMA members. Increase in value pressures on OEMs in developed countries, in addition to the emergence of hot, cost-competitive suppliers in Low value Countries (LCCs), is probably going to facilitate any acceleration of sourcing of automotive elements from LCCs.

3. NEED FOR THE STUDY

Two-Wheeler industry has become an inevitable part of modern transport systems. The existing facts just presented highlight various factors contributing the growth and development of this industry. Among them the purchasing behaviour of the consumer remains to be an area which needs continuous and constant research. The purchasing behaviour gets strengthened apart from other factors, through the steady and systematic influence of the peers. Thus, the changing patterns of purchasing behaviour need to be unearthed for the smooth functioning of these industries. Hence, the present study has been conceived and executed systematically.

4. STATEMENT OF THE RESEARCH PROBLEM

Buying behaviour occupies the prominent placed in market research. The available literature on buying behaviour of the consumer seems to get influenced by a host of psychological, sociological, economic, cultural and personal factors. The general scenario of automobile industry projects an ever growing and highly competitive spirit in production and marketing of their products, mainly, the Two-Wheelers. Here it is worth to note that apart from other factors the human factor remains as a unique and important one in purchasing a two-wheeler. This has necessitated to focus a study on the buying behaviour of human beings. In, this line it was proposed to investigate the role of peer influence on the buying of two-wheelers of the consumer.

5. OBJECTIVES OF THE STUDY

1. To find out the influence of peers in purchasing of two wheeler by educational age.
2. To measure the influence of peer in purchasing of two wheeler by educational qualification.
3. To measure the influence of peer in purchasing of two wheeler by marital status.
4. To measure the influence of peer in purchasing of two wheeler by occupation.

6. RESEARCH METHODOLOGY

The research has adopted descriptive design in this study since research describes the opinion of respondents about purchase decision. Using purposive sampling technique 85 Two-wheeler buyers were identified and included as sample for the study. Peer Influence on Purchase Decision Making questionnaire developed by Clement.S. & Venkatapathy. R (2002) has been used to collect the data. Based on scope of the study initially the descriptive statistics was worked out and then F-test and Turkey's test were used to analyse the data in this study.

7. ANALYSIS AND INTERPRETATION

7.1. Statistical Analyses related to the Hypotheses Formulated in the Study

H_{01} : There will be significant difference among the various Age Groups on their scores on Peer Influence.

Table.7.1. Analysis of Variance of Age and Peer Influence

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	592.280	3	197.427	4.589	.005
Within Groups	3484.880	81	43.023		
Total	4077.159	84			

From the above table tells us that the significance level of Peer influence is 0.005 ($P = .005$), which is below 0.05. We reject null hypothesis and, therefore, there is statistically significant difference between Peer influence and age level of the respondent. Since the null hypothesis in Peer influence dimension (differences in the means is founded), researcher has performed a Turkey's W multiple comparison to determine which means are different. Using the previous output, here is how such an analysis might appear.

Table.7.2. Post Hoc Test Multiple Comparisons

	(I) age	(J) age	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Turkey HSD	20-30	30-40	-2.04880	1.71644	.633	-6.5513	2.4537
		40-50	-4.19380	2.00543	.165	-9.4544	1.0668
		50-60	12.38370	4.83551	.058	-.3007	25.0681
	30-40	20-30	2.04880	1.71644	.633	-2.4537	6.5513
		40-50	-2.14500	1.79631	.632	-6.8570	2.5670
		50-60	14.43250*	4.75260	.017	1.9656	26.8994
	40-50	20-30	4.19380	2.00543	.165	-1.0668	9.4544
		30-40	2.14500	1.79631	.632	-2.5670	6.8570
		50-60	16.57750*	4.86444	.006	3.8172	29.3378
50-60	20-30	-12.38370	4.83551	.058	-25.0681	.3007	
	30-40	-14.43250*	4.75260	.017	-26.8994	-1.9656	
	40-50	-16.57750*	4.86444	.006	-29.3378	-3.8172	

*. The mean difference is significant at the 0.05 level.

The above table indicates that significant differences existed among Peer influence dimension and age level of the respondents. According to the results of the Turkey's W multiple comparison analysis, significant differences existed among the groups of 40-50 yrs. and 50-60 yrs with respect to the age level. This shows that there is great influence of peer group on the purchase of Two-Wheelers with respect to 40-50 yrs age group level and there is least influence of peer group on the purchase of Two-Wheelers with respect to 50-60 yrs age group level.

7.2. Statistical Analysis to find whether the Peer influence and respondents Educational Qualification

H₀₂: There will be significant difference among the various Educational Qualification on their scores on Peer Influence.

Table-7.3. Analysis of Variance Educational Qualification and Peer Influence

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	228.125	3	76.042	1.600	.196
Within Groups	3849.035	81	47.519		
Total	4077.159	84			

From the above table the significance level of Peer influence is 0.196 ($P = .196$), which is above 0.05. The accept null hypothesis and, therefore, there is no statistically significant difference between Peer influence and Educational Qualification of the respondent, Therefore clearly we can say that there is no influence of peer group on the purchase of Two-Wheelers respect to Educational Level.

7.3. Statistical Analysis to find whether the Peer influence and respondents Occupation

H₀₃: There will be significant difference among the various Occupation on their scores on Peer Influence.

Table-7.4. Analysis of Variance between Occupation and Peer Influence

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	62.554	3	20.851	.421	.739
Within Groups	4014.605	81	49.563		
Total	4077.159	84			

From the above table he significance level of Peer influence is 0.739 ($P = .739$), which is above 0.05. The accept null hypothesis and, therefore, there is no statistically significant difference between Peer influence and Occupation of the respondent, Therefore it clearly say's that there is no influence of peer group on the purchase of Two-Wheelers respect to Occupation.

7.4. Analysis to find whether the Peer influence and respondents Marital Status

H₀₄: There will be significant difference among the Marital Status on their scores on Peer Influence.

7.5 Analysis of Variance between Occupation and Peer Influence

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	91.452	1	91.452	1.904	.171
Within Groups	3985.707	83	48.021		
Total	4077.159	84			

The significance level of Peer influence is 0.171 ($P = .171$), which is above 0.05 .The Null hypothesis is accepted therefore, there is no statistically significant difference between Peer influence and Marital status of the respondent, Therefore the analysis clearly says that there is no influence of peer group on the purchase of Two-Wheelers respect to marital Status.

8. DISCUSSIONS

The results of the analyses expose interesting findings. The Buying behavior of the Two-wheeler purchasers gets systematic influence from their peers. Mainly, the age of the Subjects seems to exert an influencing role on the buying behavior of the two-wheeler purchasers. Among the two-wheeler purchasers, those who belong to the age range between 40-50 years are found to get systematic influence when they decide to go for the purchase of two-wheelers. People who belong to this age group are mostly in middle of their settlement; they give more importance to their family and children. This age group of the subject will have good relationship with their friends and relatives. They want to have market survey before going for any decision in purchase decision making. They will have the tendency to ready and refer before any decisions are made before the purchase decision is made.

In other way though Educational Qualification, Occupation and Marital status gets influenced by the Peer in Purchase decision making of two-wheelers, the influence among the entire group is same. There is no individual group is getting more influenced by Peer in the Purchase decision making of two-wheelers.

The findings of the study lead to the following conclusions. Peer influence seems to have an effect on the buying behavior of the two-wheeler purchasers. More specifically purchasers belong to the age group of 40-50 years significantly get influenced by their peers. Further, cutting across their educational qualifications, marital status and occupational status, the two-wheeler purchasers remain homogeneous with regard to their levels of peer influence. The present study adds a new dimension of peer influence on the marketing research.

9. RECOMMENDATIONS

In this research the researcher is taken only the people living in Coimbatore as sample for the study. The further research can be done by the sample outside Coimbatore by that it would be possible to understand the general phenomenon of the purchase of two wheelers. There is no competitive study conducted between two cities, the future studies should focus on groups comparing studies on buying behaviours. The variables such as, Family Size, income level of the subject of the purchasers can be added in the future studies.

10. CONCLUSION

The findings of the study lead to the following conclusions. Peer influence seems to have an effect on the buying behaviour of the two-wheeler purchasers. More specifically purchasers belong to the age group of 40-50 years significantly get influenced by their peers. Further, cutting across their educational qualifications, marital status and occupational status, the two-wheeler purchasers remain homogeneous with regard to their levels of peer influence. The present study adds a new dimension of peer influence on the marketing research.

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