



Study On The Amplification Effect Of High-Intensity Festival Promotions On The Sale Of Premium Consumer Durable Goods-A South-Indian Perspective.

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Abstract:

Abstract: Festival seasons in India are associated with high purchase levels of Consumer durable goods. It is reported that almost 65% of the retail sales of consumer durable goods are undertaken during the last quarter of the year, which is the period covering the major festivals of the country. Some of the reasons attributed for this are the availability of festival advances and bonuses, Festival promotions and the release of new variants of many durable goods to take advantage of the festival hype.

Kerala is a state in India that has attracted the economists' curiosity for exhibiting possible signs of being a consumer state, by consuming more premium and luxury goods in a manner that did not justify its economic and demographic parameters. On a similar note, various Trade and Manufacturers Associations of India for Consumer Durables, in their reports related to years 2018, 2019 and 2020, indicate Kerala as their prime market in the country for their higher-end premium models.

A clear knowledge gap exists in the understanding of the motivating factors influencing the consumers of Kerala to purchase premium goods.. Kerala exhibits a consumption pattern that should be more in line with a state that should be among the top five in the list of purchase power (PP) index rather than having a PP index of 93 which puts the state in the third and the lowest tier, This gives reasons to believe that a unique set of motivating factors are driving the purchase of consumer goods in the state of Kerala.

This study examines the role of the effects of external(Social) and internal (Psychological) influence factors that were identified and used to design and validate a conceptual model. This model proposes to explain the unique purchase behaviour of the customers of Kerala as compared with the neighbouring states of Karnataka and Tamil Nādu, both states being more populous and richer than Kerala. The results of the study unveiled the effects of enhanced festival promotions, compulsive buying coupled with the need for social recognition and status, as the main factors driving the purchase of Premium variants in product categories of Automobiles, Refrigerators, TVs and Smartphones in Kerala,

Index Terms - Consumer Behaviour, Premium Goods, Festival -promotions, External influence factors, Consumer state.

I. INTRODUCTION

The topic of this study deals with the complex relationship between persuasion and consumer buying behaviour. Advertisements and promotions are a paid form of non-personal communication which provides the reasons and the incentives to buy products and services. (Kotler P., 1958) .This study explores the role of the level of sales promotion in persuading customers to buy and use premium products. Owning and using premium goods is considered as conspicuous consumption and the term describes the consumer practice of buying and using goods of higher quality, price, or in greater quantity than practical (Phillips, Ronnie J., 2014).

Kerala has been often referred to as a consumer state, which also exhibits a positively skewed preference for premium goods. This feeling has been voiced over two decades by eminent economists and experts in the public media. Kerala is unique in that the state has the generous distribution of the three major religions in its population, having 54% Hindus,26% Islam and 18 % Christians. This has resulted in three major festivals being celebrated with the same intensity and grandeur reflecting the tolerant and inclusive character of the people of the state. Whether the extended high-level promotions have influenced the buying behaviour of the consumers of Kerala forms the research problem identified for this study.

1.1 The two-stage design of the study.

This paper is the result of a study that has been designed as a two-stage process. The first stage is an exploratory study undertaken to extract inferences from the various primary as well as secondary sources of information that were available from the market and trade from the states of Kerala, Karnataka and Tamil Nadu. The exploratory study was undertaken in the three markets of Kerala, Tamil Nadu and Karnataka and involved the sales levels of premium variants of the Product categories of Automobiles, Refrigerators, Televisions and Smart Phones.

The second stage of this study was a Conclusive study which resulted in the design and validation of a conceptual model to identify the motivating factors that may be responsible for the purchase behaviour of the consumers of Kerala for Premium consumer durable goods. The second stage of the study was limited to the state of Kerala. The review of literature related to the topic under study involved the close scrutiny of several models related to the consumer buying process. The factors of Festival Mood and Festival Promotions and Impulsive -Compulsive purchases as possible predictors of attitude to purchase premium durables have been incorporated in the model.

II. THE RESEARCH PROBLEM

The Research problem was identified with inputs from the in-depth review of the literature. The research problem identified may be stated as follows:

the purchase behaviour exhibited for premium consumer durables in the state of Kerala appears to be disproportionate to the population and purchasing-power parameters recorded by the state and national authorities of the national statistical organisation of the government of India. The role of an extended and intense festival promotion in the state of Kerala as a causative factor for the disparity in purchase behaviour of premium goods between Kerala and the two neighbouring states of Karnataka and Tamil Nadu had not been researched or validated at the time of starting this research.

III. THE REVIEW OF LITERATURE

The Review of literature for this study has been designed as being of two parts, one to explain the process of review of secondary data available from trade association reports and the other for the academic review of journals and publications. The conceptual framework that leads to the design of the Research model relating to the Conclusive study, has been totally derived from the learnings of the review of the literature. This constituted the second step.

3.1 Review of Literature regarding the Exploratory study.

To understand the purchasing power of the customers of Kerala for consumer durables, it was vital to clearly understand the dimensions and the characteristics of the state's current economy. The information that was required for this was mainly gathered from the following sources:

a) The Government releases of official data such as the Annual Reports of the Directorate of Bureau and Statistics for the years 2011 up to 2020, the Report of the Department of Labour of the Government of Kerala for the years 2010 up to 2019, The Kerala economic review 2021 of the Kerala Planning Board, among others. The various reports issued by Institutes of repute located in the state, such as the Centre for Developmental Studies, The Institute of Management in Government and the reports of the trade agencies such as the Society of Indian Automobile Manufacturers (S.I.A.M) and the Electronics Industries Association of India (ELCINA) have all been extensively utilised for review of information.

b) The online and archived reports from leading National newspapers covering the economic and financial sectors, such as the Economic times, Business Line, Financial Express, Financial Chronicle, and Mint (all relating to the period 2015-2020) were systematically collected and essential information extracted. In addition to providing reliable reference for verifying accuracy and currency for Government generated data, these reports, and opinions, which were often contributions of leading economists, also gave unique insights into many economic issues related to the Indian and particularly Kerala economy.

3.2 Summation of the findings from the review of literature related to the Exploratory study.

From the stage of the review of literature it was understood that Kerala has 2.6% of India's population and contributes 4.5% of India's GDP but disproportionately consumes 13 % of India's consumer durables and almost 11% of the higher end varieties of the same category sold in the Indian market (Report of Directorate of Economics and Statistics -Kerala 2012-13 and annual report of R.A.I 2018).

According to the latest available audited report of 2015 of The Central Statistical Organisation, Kerala had shown a consumption pattern for Consumer goods amounting to of 11% of the National consumption that far exceeds any commensurate comparison with its population (2.76% of India) and the per capita income (12th rank among states) parameters measured of its inhabitants. (Annual Reports of the Directorate of Bureau and Statistics for years 2011 up to 2015)

While other states have consumption patterns that are proportionate to their relative population and GSDP figures, Kerala seems to be an outlier.. The literature review undertaken has given enough understanding to conclude that the state of Kerala was not following the same consumption pattern for consumer durables as that of other Indian states with similar levels of population and GSDP.

3.3 Review of the literature undertaken for the Conclusive study.

A clear understanding of the operating definition of the terms "Consumer Behaviour" "Premium durable goods" and the probable relationship between the two was critical before attempting this study. The major objectives of this study are built on the concepts of the motivating factors behind the purchase of premium consumer goods in Kerala. Various journals of eminent behavioural scientists and academicians have been referred to and the findings have been expressed as hereunder. The following domains of psychology, behavioural economics have been used to explain Consumer behaviour and the path followed has been detailed as shown here below.

3.3.1 The Role of Motivation in Consumer Behaviour.

Motivation has been considered by experts to be the most important intrinsic factor that influences consumer behavior. Motivation is the driving force that leads customers into action. This directing force pervades as a state of tension exists because of an unfulfilled need.. Individuals strive both consciously and unconsciously to reduce the tension by selecting goals and following subsequent behaviour that customers anticipate will fulfil their needs and relieve them of the tension they feel. (Fig. 2.9, Jeffrey F. Dugree et al., 1996).

When extended to real-world experiences, needs can be defined as being Extrinsic or as Intrinsic depending on the type of influence or the source of arousal, whether it originates within the mind of the person or from the existing immediate environment. Extrinsic needs very interestingly are those needs that are awakened by influences located outside the customer's conscious mind, like peer pressure or influences originating from groups such as family, friends and colleagues. On the other hand, Intrinsic needs are those that are influenced by the customer's mind and consciousness. (Schiffman L. & Kanuk L., 2012).

3.3.2 Role of Attitude in Consumer Behaviour.

Attitude has been defined as a learned predisposition to behave in a consistently favourable or unfavourable way with respect to a given object. (Malhotra N., 2005). Attitudes are not directly observable but must be inferred from what people say or do. It is even believed that a whole universe of consumer behaviours such as consistency of purchases, recommendation to others, beliefs, evaluations, and intention to buy are absolutely dependent on attitudes (Schiffman L., 2010). Attitude towards a product as a construct has been based on the Tri-component model of attitude formation (Rosenberg and Hovland, 1960).

3.3.3. Role of Psychology in Consumer behaviour.

a) Impulsive Buying:

This purchasing behaviour is characterized by lack of planning and touch with reality in the pre-purchase stage of the purchase process. Research indicates that the cognitive facet of impulse buying, associated with a lack of planning in relation to purchase decisions, is negatively associated with subjective well-being. The affective facet of impulse buying, associated with feelings of excitement and an overpowering urge to buy, is linked to negative affect and susceptibility to interpersonal influence (Silvera D., Lavack A., & Kropp K., 2008).

b) Possessions and Social Image

The perception of a superior social image when in possession of material goods that cause envy or are desired by others has been identified in many individuals. A lack of self-esteem may develop in an individual when the person had a rapid change in his or her social or professional environment. Considerable research has been done of the field of Conspicuous consumption and its relationship to the factors of "susceptibility to interpersonal influence and status-seeking behavior" (O' Cass & McEwen, 2004).

In the resulting new environments, the incumbents are likely to feel insufficiency due to differences in levels of sophistication, communication, and educational qualifications amongst others. The perceived social status that is associated with buying and possessing premium goods often gives temporary relief and release of frustration that is associated with feelings of inferiority and low self-esteem (Zachariah & Rajan, 2015).

c) Conspicuous Consumption.

The concept explained the lifestyle of the "Upper-Upper" class of society who purchase goods and services not so much for the tangible value but because they provided psychological benefits considering the image of wealth and status acquired by owning them. In order to gain and to hold the esteem of society, wealth must be put in evidence, for esteem is awarded only on evidence. (Veblen-1899). Conspicuous consumption was finally defined as the "acquisition and display of expensive items to suggest wealth with an intent to attract attention to one's wealth." (Veblen T., 1899).

3.3.4 Role of External Influence factors.

External factors of influence are those factors that are located outside the mind and self-consciousness of the individual. These factors are the external components of the environment in which the customer exists. They have a powerful influence on the process by which the consumer attitude towards products and services are formed. The effect of external factors (along with the internal) on consumer behaviour was first identified in the Black Box Stimulus-Response Theory of Consumer Behaviour which was the pioneering study on the consumer decision making process (Kotler, Armstrong, 1967).

3.4 Festival mood influence.

Celebrating festivals has been identified as an important behaviour of people of every state in India and the sub-culture of the state determines the manner in which the festival has to be actively celebrated. Pongal celebrations in Tamil Nādu, Onam in Kerala and Dusshera in Karnataka and Durga Pooja in West- Bengal are some examples of this. These festivals are a huge opportunity for Marketers. The festival season is also a period of high liquidity due to harvest revenue, bonus and advance payments made to Government and private sector employees. (Ramesh Kumar S, 2009).

It is reported that in the South Indian markets of Tamilnadu, Kerala, Karnataka, Andhra and Telengana more than 62% of all consumer durables are sold in the last quarter of the year which corresponds to the festival season for these states. Several manufacturers of brands in a number of product categories offer sales promotional programs during the festival season. Deals (Ramesh Kumar, 2009). In almost every sub-culture existing on the Indian sub-continent the concept of "Ritual buying" or mandatory purchase as part of the occasion is strongly observed. Most Indian consumers also strongly believe that high-value, high-involvement products are best purchased during auspicious times.

3.5 Influence of Festival promotions.

An advertisement is a form of paid marketing communication that is non-personal and gives the customer a reason to purchase products and services. This is mainly achieved through the process of informing the value and benefits of using products and services to the customer. On the other hand, promotions are a paid form of non-personal communication but are delivered for increasing sales by giving a monetary incentive to purchase. (Kotler P., 1958).

The effect of festive promotions and the frequency of exposure to such marketing communication amplifies the urge to purchase (Sirgy J., 1991). Kerala is unique in terms of demography in that the state has three dominant religions being followed by the population. Festive seasons are characterized by high-voltage promotions offering new models at very special festive discounts. Population. Festive seasons are characterized by high-voltage promotions offering new models at very special festive discounts.

IV. RESEARCH METHODOLOGY

As mentioned in the statement of the Research Problem the knowledge gap was due to two main reasons.

1) There was a need to validate the assumption of a difference in consumer behaviour between the consumers of Kerala and the consumers of the neighbouring states Tamil Nadu and Karnataka, as regards the purchase of premium durable goods. 2) The causative effect of the external factors of Festival Mood and Festival promotions as a reason for the distinct difference observed in the purchase behaviour of the customers of Kerala, for consumer durable goods as compared with the customers of Tamil Nadu and Karnataka, needed validation through an empirical study using advanced statistical tools.

4.1 Research Objectives.

Once the research problem was identified the objectives of the study were identified and stated as follows:

- 1) To measure the level of purchase of premium variants of the four selected categories of Consumer durable goods in the states of Kerala, Tamil Nadu and Karnataka.
- 2) To identify the difference in the purchase pattern if any between the three states based on the purchase information for the four categories of Consumer durable goods.
- 3) To identify whether exposure to an extended period of Festival advertising and promotions have a positive influence on the purchase of premium consumer durable goods. (H1a)
- 4) To identify whether Festival mood has a positive influence on the purchase of Premium consumer durable goods.
- 5) To identify whether Compulsive buying behaviour has a positive influence on the purchase of premium consumer durable goods.

5.0 The Operational concepts of the Study.

Since the study was undertaken in two stages, namely the Exploratory and the Conclusive studies, it is important that the operational concepts are explained separately for the two stages.

5.1 The Operational concepts of the Exploratory study.

The exploratory study was based on the review of secondary data collected from the trade and trade associations and Statistical organisations of the government. The selected products belong to the category of specialty goods which required high involvement of the consumer to arrive at a purchase decision. These products also have high relevance for social image as well as utility for self and family. The term "Premium consumer goods" were defined to fit into the categories mentioned here below.

The four categories of consumer goods chosen for the study were as follows.

- a) Passenger cars coming under the category A5 Segment – (Premium) – The classification of the Society of Indian Automobile Manufacturers (S.I.A.M) was considered for the selection and the base on road price of the cheapest car in the two categories was Rupees thirty lakhs (Rs 30,00,000) per unit.
- b) Hi-Definition Smart LED TVs with a minimum price of Rupees one lakh (Rs. 1,00,000) per unit. The classification is based on the specifications of the Electronic Industries Association of India (ELCINA) released in 2014.
- c) Smartphones with a minimum price of rupees Thirty thousand (Rs.30,000) are classified as a premium mobile phone by the Indian Cellular Association (I.C.A) which is the apex body of the manufacturers of cell phones in India (2015).
- d) High-end refrigerators classified as Direct cool, Double door, Frost free and with inverter compressors with a minimum price of Rupees One lakh (Rs.1,00,000) per unit. The classification is based on the specifications of the Electronic Industries Association of India (ELCINA) released in 2014.

The secondary data collected related to the period of 24 months covering the months of January 2019 to the end of December 2020.

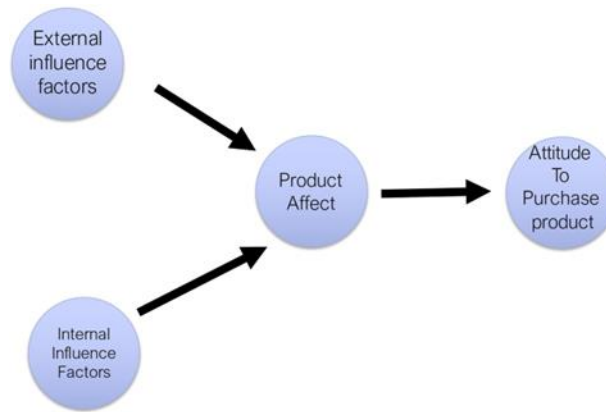
4.2 The Operational concepts of the Conclusive study.

This conceptual model that was designed for this study was primarily based on the "Customer Black Box" effect on individual customers in influencing the customer decision process which was proposed by Sandhusen, R. L., 2000.

This model as seen in Fig. 1, shows the influence of external and internal stimuli such as psychological influences, situational influences, and social influences leading to consumer responses. The conceptual model is a modified version of the Customer Black Box Model (Sandhusen, R. L., Marketing, 2000) which is related to the black box theory of behaviourism, where the focus extends beyond the processes occurring inside the consumer's mind and includes the relationship between the stimuli and the consumer's response. This decision model further explains that purchase decisions do not occur in a vacuum. All consumer purchases are undertaken in real time and are affected by stimuli both external or environmental and the consumer's immediate psychology.

The constructs that have been considered for the conceptual model may be observed in figure 1 , shown here below.

Fig:1



The four primary concepts that form the factors of the research model

- 1) External Influence factors.
- 2) Internal influence factors.
- 3) Product Affect
- 4) Attitude to purchase .

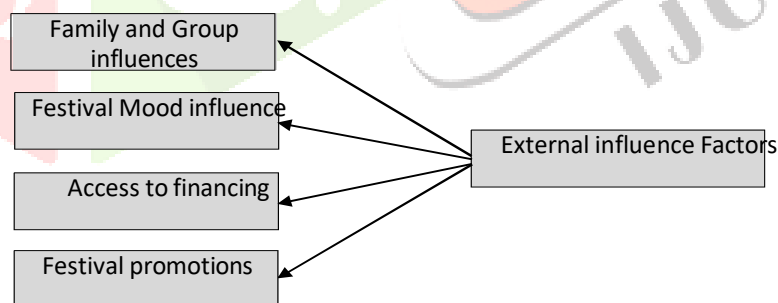
Each of the four latent constructs of the model has been the result of the learnings from the literature review with the academic inputs that have gone in during the process.

4.3 External Influence Factors

External factors of influence are those factors that are located outside the mind and self-consciousness of the individual. These factors are the external components of the environment in which the customer exists.. The effect of external factors (along with internal) on consumer behaviour was first identified in the Black Box Stimulus-Response Theory of Consumer Behaviour which was the pioneering study on the consumer decision making process (Kotler,Armstrong, 1967).

The external influence factors that have been incorporated into the model are shown in Figure No 2

Fig. 2 The domains of external Influence factors



The Factors that are relevant for this study are explained in detail as given below.

4.3.1 Festival mood influence

Celebrating festivals has been identified as an important behaviour of people of every state in India and the sub-culture of the state determines the manner in which the festival has to be actively celebrated. Pongal celebrations in Tamil Nādu, Onam in Kerala and Dusshera in Karnataka and Durga Pooja in West- Bengal are some of examples for this. These festivals are a huge opportunity for Marketeers. The festival season is also a period of high liquidity due to harvest revenue, bonus and advance payments made to Government and private sector employees. (Ramesh Kumar S, 2009).

In almost every sub-culture existing on the Indian sub-continent, the concept of “Ritual buying” or mandatory purchase as part of the occasion is strongly observed. Most consumers also strongly believe that high-value, high-involvement products are best purchased during auspicious times.

It is thus argued that:

H2: Festival Mood has a positive influence on Attitude to purchase

H2α: Product Affect (AFF) mediates the relationship between Festival Mood (FEST) and Attitude to Purchase (ATT)

4.3.2 Festival Promotions.

. Both advertisements and promotions provide environmental stimuli in the form of motivation and reason to purchase and are often related to occasions or events occurring in the open environment of the consumer .The effect of festive promotions and the frequency of exposure to such marketing communication amplifies the urge to purchase (Sirgy J., 1991). Kerala is unique in terms of demography in that the state has three dominant religions being followed by the population. Festive seasons are characterised by high-voltage promotions offering new models at very special festive discounts and new models .

It is thus argued that:

H3: Festival Promotions has a positive influence on Attitude to purchase

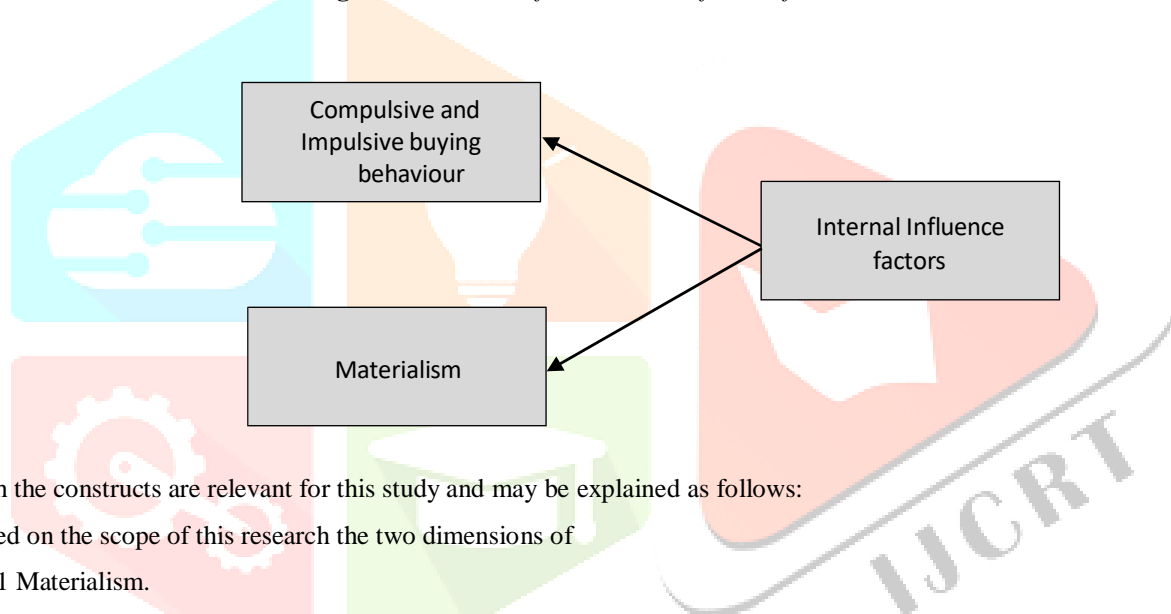
H4a: Product Affect mediates the relationship between Festival Promotions and Attitude to Purchase .

4.4 The Internal Influence Factors.

Along with the external influence factors the Black Box Model had also identified the internal influence factors that have been understood to influence the consumer behaviour of an individual. The internal factors are prevalent within the self or the mind of the consumer. Most of these factors may be sub-conscious and are prevalent as powerful influences in ones consciousness (Kotler & Armstrong,1967).

The components that make up the internal factors for the conceptual model of this research are explained as follows in Fig No 3.

Fig. 3 The domains of the internal influence factorsw



Both the constructs are relevant for this study and may be explained as follows:

Based on the scope of this research the two dimensions of

4.4.1 Materialism.

Materialism is defined as that trait which makes people believe that having possessions are not just important but also key to their happiness. The definition also extends to the view that people who are materialistic consider money and possessions as the most important things in life and give lesser importance for spiritual values. (Ashley, D.,1982) . Researchers have identified some common characteristics of materialistic people such as Acquisition centrality, and attributing feelings of success and social status by ones possessions.

It is thus argued that:

H4: Materialism has a positive influence on attitude to purchase .

H4a: Product Affect mediates the relationship between Materialism and Attitude to Purchase .

4.4.2 Compulsive and Impulsive purchase behaviour.

Compulsive buying behaviour is exhibited by individuals who experience an uncontrollable urge to purchase and thus routinely act on powerful influences. There is a relationship that is believed to exist between compulsive buying behaviour and the perceived social status that is associated with buying of products in order to enhance self-esteem. (Yurchisin J.and, Johnson K.K.P., 1998.).

Most compulsive customers purchase things that they don't need, will most likely never use, and sometimes they forget about their purchase as well. Some type of intervention therapy or clinical treatment is often required to control and eliminate compulsive behaviour (Schiffman L., 2010)

Impulsive purchase behaviour is characterized by a lack of planning and touch with reality in the pre-purchase stage of the purchase process. Research indicates that the cognitive facet of impulse buying is negatively associated with subjective well-being. The affective facet of impulse buying, associated with feelings of excitement and an overpowering urge to buy, is linked to negative affect and susceptibility to interpersonal influence (Silvera D., Lavack A., & Kropp K, 2008)

It is thus argued that

H5: Compulsive & Impulsive purchase behavior (COMP) has a positive influence on attitude to purchase (ATT)

H5a: Product Affect (AFF) mediates the relationship between Compulsive & Impulsive purchase behavior (COMP) and Attitude to Purchase (ATT).

4.5 The operational definition-Product Affect

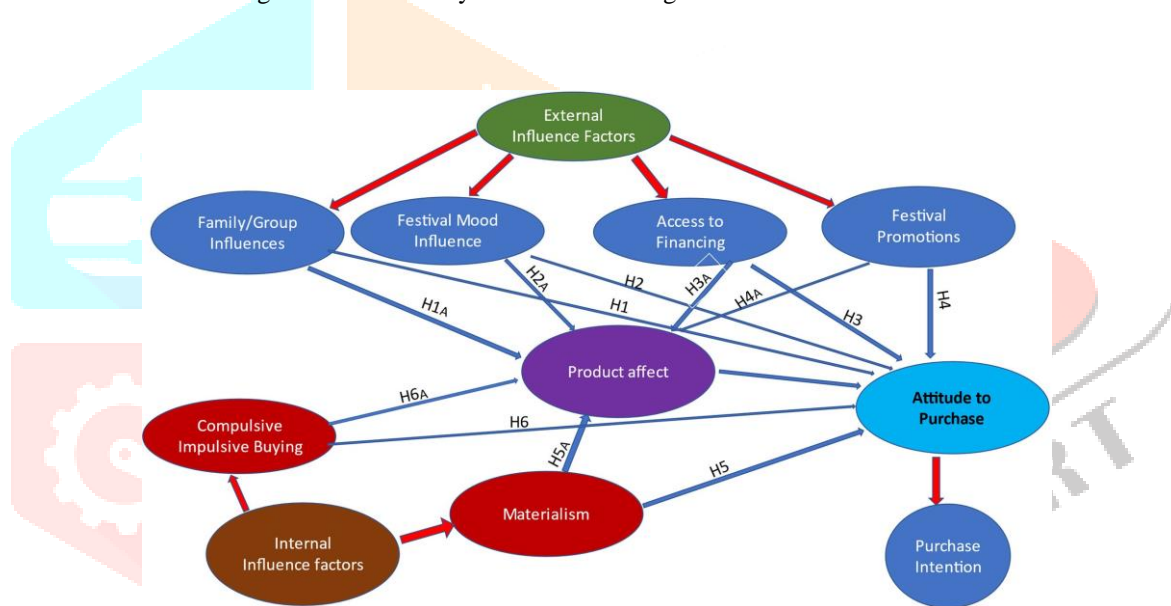
In the research model which was based on the insights from the review of literature, the construct “Product Affect” takes the role of the Mediating variable. This is the affect forming component of the model. The internal and external influences provide the cognition part of the model. The affect formation is followed by the conative or behavioural component which is the dependent variable in the research model. The latent construct Product affect is derived from the attitude formation process as conceived in the tricomponent model of attitude formation (Hogg and Vaughen-1995),

4.6 The Operational definition of Attitude to Purchase .

Attitude to purchase a product or a service when considered as a construct in this study is based on the Tri-component model of attitude formation (Hogg and Vaughen, 1995) and constitutes the final conative or behavioural part of the attitude-building process. Attitude-driven behaviours are not directly observable but must be inferred from what people intend to perform. (Schiffman L., 2010).

The influences exerted by the external and internal influence factors are considered to be the cognitive component of the attitude formation process. The mediating variable Product Affect is the Affective component. Based on the Tri-component model of Attitude formation the Conative component is the behavioural part of the attitude formation and is an indicator of the purchase intent.

The Research model showing all constructs may be observed in Fig 4 shown below:



This study could be considered both Descriptive as well as Analytical in nature. The study is descriptive in the sense that the first part of the study, which is exploratory, is cross-sectional in nature undertakes to explain the existing structure of the market conditions in Kerala, along with the purchase levels of premium consumer durables in the state. The conclusive study is on the other hand designed to be analytical since the conceptualization and validation of a behavioral model is involved.

4.7 The Design of the Exploratory Study.

The method used for the exploratory study was the analysis of secondary data provided by the dealers and data available from the periodic reports of the manufacturers and dealer's associations of various consumer durables in the three states of the state of Kerala, Tamil Nadu and Karnataka.

4.8 The Sampling Method of the Exploratory study

A Census study approach was followed to collect the sales data from all the Regional sales offices of manufacturers of major passenger cars, televisions and refrigerators and mobile phones to gather sales information for the states of Kerala, Tamil Nādu and Karnataka, Andhra and Telangana Census study approach on all the regional sales offices of manufacturers of major passenger cars, televisions and refrigerators was undertaken to gather sales information for the states of Kerala, Tamil Nādu and Karnataka. The regional offices were in the two south Indian cities of Chennai and Bengaluru.

4.9 Data Analysis of the Exploratory study

Since a census study was undertaken on the above-mentioned sources of data, the primary analysis was undertaken as a visual examination of data structures of representations on Bar and Pie charts and cross-tabulations.

Crosstabulation of the data for all the three states were also undertaken for the four category of Consumer durables and through visual examination and primary count analysis it was observed that the Consumers of Kerala were disproportionate

in their purchase of high end and Premium brands of cars, Refrigerators, Smart-phones and Smart TV sets as compared with the immediate neighbours Tamil Nādu and Karnataka, both of whom had higher levels of populations and Gross State Domestic Produce scores.

4.10 Design of the Conclusive study

The second stage of this study was the Conclusive study which resulted in the design and validation of a conceptual model for identifying the motivating factors that led to the purchase behaviour of the consumers of Kerala for Premium consumer goods. The secondary data collected related to the period of 24 months covering the months of Jan 2019 to end of December 2020.

This study attempts to bring out the relationship between the Influencing factors of Festival Mood and Festival promotions that lead a customer to develop attitude to purchase and finally leading to formation of purchase intent.

4.11 Sampling method of the Conclusive study.

For this study Kerala was divided into three regions – South, Central and North. This was done to ensure that all respondents from all regions of the state were evenly considered for the study.

The southern part of Kerala was selected to comprise the districts of Thiruvananthapuram, Kollam, Alappuzha and Pathanamthitta.

The central Kerala districts were grouped as Kottayam, Idukki, Ernakulam, Malappuram and Palakkad.

The Northern Kerala districts were, Kozhikkode, Wayanad, Kannur and Kasargodu.

V DATA ANALYSIS

5.1 Data Analysis of the Conclusive study.

Confirmatory factor analysis of the integrated model comprising of all the items of the constructs Family and group influence, Availability of Finance, Festival Mood, Festival Promotion, Compulsive and Impulsive behaviour, Materialism, Product Affect and Acritude to purchase was undertaken using IBM Amos 21.

The results of the CFA provided Test of significance for the Hypothesis related to the confirmatory study. The method used for testing the hypotheses was based of determining the significance of the coefficients of each of the hypothesised paths. Before proceeding on the test of significance of the hypothesised paths a re-examination of the model fit indices confirmed the adequacy of the Goodness of fit of the model:

5.2 Path Diagram construction.

The path diagram that was created provided the researcher with the capability to represent the theoretical concepts in a graphical manner and the opportunity to further develop the measurement scheme. In the Path diagram all the constructs, both predictors and the resulting variables, are represented with arrows. In SEM all constructs are broadly classified as either Exogenous or Endogenous.

5.3 Measurement Model Construction.

In this stage of model fit assessment, the researcher examines the fit indices that are generated while running AMOS software. The principle behind the evaluation process is related to how much the implied covariance matrix is similar to the observed covariance matrix. These fit indices allow the researcher to assess and ascertain the quality and robustness of the measurement and structural parts of the model under scrutiny

VI. RESULTS OF THE RESEARCH ANALYSIS.

This is presented in two parts as shown here below.

6.1 Results of the Exploratory Study.

The results of the Exploratory study clearly established that the state of Kerala has a definite positive skewness for the consumption of Premium variants of the four categories of Premium consumer durables chosen for this study. Thus the percentage of sales of the four product categories of Premium Cars, Premium Refrigerators, Premium Televisions Premium Smartphones may be observed as given below to ascertain the findings.

Table 1 Sales - Higher-End cars (SUVS) for 2019-20 as percentage of variants

Type	Percentages			
	Tamilnadu	Karnataka	Kerala	All India
A5+A6	0.98	0.95	1.85	1.28

Table 2 Sales - Premium Refrigerators for 2019-20 as percentage of variants

Percentages				
Type	Tamilnadu	Karnataka	Kerala	All India
Forest Free DD	28.46	25.12	42.86	33.96
Direct cool	71.54	74.88	57.14	66.04
	100	100	100	100

Table 3 Sales - Premium Smart phones 2019-20 as % of Smart phone sales

Percentages				
Type	Tamilnadu	Karnataka	Kerala	All India
Premium smart	4.50	5.10	13.63	5.23
Smart Phone	95.50	94.90	86.37	94.77
Total	100	100	100	100

Table 4 Sales - Smart Flat screen TVs for 2019-20 as % of all variants

Percentages				
Type	Tamilnadu	Karnataka	Kerala	All India
Smart Panel TV	33	22	41	24
N-LED/LCD	67	78	59	76
Total	100	100	100	100

7.2 The Results of the Conclusive study

The results of the CFA provided the Test of significance for the Hypothesis related to the confirmatory study. The method used for testing the hypotheses was based on determining the significance of the coefficients of each of the hypothesised paths. Before proceeding on the test of significance of the hypothesised paths a re-examination of the model fit indices confirmed the adequacy of the Goodness of fit of the model:

- Ratio of chi- square to DF (χ^2/df), should be ≤ 2 or 3 observed value =1.326
- Goodness of fit index (GFI), above ≥ 0.95 not generally recommended, observed value =0.89
- Root mean square error of approximation(RMSEA),should be
< 0.06 to 0.08 with confidence interval, observed value =0.03
- Root mean square residual (RMR), Smaller, the better; 0 indicates perfect fit, was observed value =0.05
- Normed fit index (NFI), should be >0.95 for acceptance, observed value = 0.960.
- Comparative fit index(CFI),should be >0.95 for acceptance, observed value = 0.980
- The test results of the hypothesis (See table 5.33 given below) gave support, by providing values of $p < 0.05$, to the understanding that all the hypotheses but for two namely H3 and H10, both of which relate to the exogenous construct “Festive Mood : and the mediating variable “Product Affect” and dependant variable “Attitude to buy” .The results may be observed as given below:

Table 6.6 Hypothesis testing-All Dependant variables on Attitude to purchase

Parameter	Standard estimates	Std. Error	P Value	Hypothesis
Family □ Attitude to purchase (H4)	0.25	0.0170	0.003	Accepted
Promotion □ Attitude to purchase (H1)	0.24	0.0170	0.000	Accepted
Finance □ Attitude to purchase (H2)	0.22	0.0180	0.003	Accepted
Festival effect □ Attitude to purchase (H3)	-0.02	0.0510	0.571	Rejected
Among the Internsl factors of influence the following was observed.				
Compulsive □ Attitude to purchase (H5)	0.12	0.0200	0.000	Accepted
Product effect □ Attitude to purchase (H6)	0.55	0.0230	0.000	Accepted

The hypotheses related to the relationships of the latent constructs Family and group influence (H2)),

Promotion effect(H3). Finance and Funds(H4), Compulsive behaviour (H6) and Product affect(H7) were confirmed to have a positive relationship (influence) with the dependent variable Attitude to purchase. Their p values were lesser than 0.05.

VII DISCUSSIONS AND CONCLUSIONS.

It was clearly established by the detailed exploratory study that there exists a significant positive skewness in the purchase of premium consumer goods by the consumers of Kerala as compared with those of Tamil Nadu and Karnataka.

The following factors

- Festival promotions, existing as an external influence
- And
- Compulsive Buying, existing as an internal influence

Individually and jointly have a significant influence in creating the mediating factor” Product Affect” which ultimately develops into the attitude required to purchase to premium consumer durable goods. One of the constructs which formed part of the original conceptual Model, “Festival Mood “unfortunately turned out to be insignificant and had no significant role in influencing attitude formation for purchase intent.

Compulsive buying which refers to a state of mind where reasoning and rationality are not put to full use is a surprising and relatively strong influencer factor that is seen in the model. It is thus reasonable to infer that the effect of extended and highly intensive festival promotions that were unique for Kerala was the possible causative factor for the unexpectedly high levels of purchase of Premium consumer durables since festival times are occasions of purchasing higher-end consumer goods at a discount. Though festival mood seems to have had no effect, the release of new models coupled with the influence of family and peer pressures are likely to have added to the pressure to comply.

The latent construct “Festive Mood effect (H3)” however was found to be insignificant in influencing the dependent variable “Attitude to purchase”. (p=0.53) thus it was decided that the factor festive mood effect was not suitable as a predictor that can influence the dependent variable, attitude to purchase

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