



A study on factors influencing Consumers' Buying Behaviour of two wheelers with special reference to Rayalaseema region, Andhra Pradesh, India

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Abstract : The feeling of freedom and being one with the nature comes only for riding a two wheeler. Indians prefer the two wheelers because of their small manageable size, low maintenance, pricing and easy loan repayment. Motorized two wheelers are seen as a symbol of status by the populace. The study was conducted in Rayalaseema region of Andhra Pradesh. The study was conducted with a sample size of 220 respondents based on convenient sample method who were potential users of Two Wheeler like employees, students, and professional etc. the statistical tools like Simple percentage method, Chi-Square Test and Likert's scale technique were used. *The study found that Personal factors (calculated value of X^2 viz., 4.347521 was much greater than the tabulated value and H_0 rejected and H_1 accepted) like buyer's age and life cycle state, occupation, economic situation, lifestyle, and personality and self-concept, followed by Psychological factors (calculated value of X^2 viz., 5.124772 was much greater than the tabulated value and H_0 rejected and H_2 accepted) motivation, perception, learning, and beliefs and attitudes, followed by Social factors (calculated value of X^2 viz., 46.70599 was much greater than the tabulated value and H_0 rejected and H_3 accepted) reference groups, family, role and status and followed by Cultural factors (calculated value of X^2 viz., 15.12817 was much greater than the tabulated value and H_0 rejected and H_1 accepted) set of values, ideas, and attitudes influence the buying behaviour of consumers regarding two wheelers purchase.*

Key words : *Personal, Psychological, Social and Cultural factors.*

INTRODUCTION:

The feeling of freedom and being one with the nature comes only for riding a two wheeler. Indians prefer the two wheelers because of their small manageable size, low maintenance, pricing and easy loan repayment. Motorized two wheelers are seen as a symbol of status by the populace. The marketing concept is consumer oriented

and the emphasis is more on the consumer rather than on the product. The essence of modern marketing lies in building of profit along with creating meaningful value satisfaction for the costumers, whose needs and desires have to be coordinated with the set of products and production programmes. Therefore, marketing success an enterprise depends as its ability to create a community of satisfied consumers. All the business



activities should be carried out in ways which are directed towards the satisfaction of the consumer needs.

The two-wheeler industry (henceforth TWI) in India has been in existence since 1955. Trend in domestic two wheeler

sales is exhibited in table 1. It consists of three segments viz.,

- a) Scooters
- b) Motorcycles and
- c) Mopeds.

d)

Table 1: Exhibit: Trend in Domestic Two Wheeler Sales

Industry Volumes	FY 2015	FY 2016	Apr-15	Apr-16
Motorcycles	10,726,013	10,700,466	881,743	1,024,926
Scooters	4,500,920	5,031,678	344,752	468,368
Moped	748,628	723,767	60,561	67,045
Total	15,975,561	16,455,911	1,287,056	1,560,339
Growth (%) – YoY				
<i>Motorcycles</i>	2.3%	-0.2%	-2.8%	16.2%
<i>Scooters</i>	24.9%	11.8%	5.4%	35.9%
<i>Moped</i>	3.6%	-3.3%	9.9%	10.7%
<i>Total</i>	7.9%	3.0%	-0.2%	21.2%

Source: SIAM Data, ICRA research

The above table reveals that two wheeler segment of Automobile industry had been increasing day by day. ICRA expects demand for two-wheelers to grow at a muted pace of 4-6% during FY2017 after a modest 3% growth in domestic volumes during FY2016. Although increased allocations towards rural development and welfare schemes in the Union Budget for 2016-17 and growth in National Rural Employment Guarantee Act (NREGA) expenditure, besides the government's focus on improving irrigation infrastructure, augur well for the farm sector, demand recovery from rural households is expected to be gradual and in turn linked to the volume and dispersion of monsoon rainfall. Hence with all stated reasons a need arises to

conduct a study particularly Buying behaviour of Consumers.

Buying behavior:

Buyer is an Individual or business that purchases the goods or services produced by a business. The customer is the end goal of businesses, since it is the customer who pays for supply and creates demand. Businesses will often compete through advertisements or sales in order to attract a larger customer base.

Behaviour means the way in which an animal or person behaves in response to a particular situation or stimulus:

Consumer is the King in the present competitive world. In this



marketing war fare, consumer is only the person who can change the fate of companies which were struggling for survival. In ancient days, the players may have complete control over the market and customers, but the scenario completely changed. Due to the many options in the market, no customer is directly or blindly purchasing the products or services as he is going through evaluation process. Consumer behaviour is seen to involve a complicated mental process as well as physical activity (purchase decision). Consumer behaviour is a decision process and physical activity individuals engage in when evaluating, acquiring, using or disposing of goods and services. Consumer Behaviour reflects the totality of consumers' decisions with respect to the acquisition, consumption and disposition off goods, services, time and ideas by (human) decision making units.

Factors Influencing Buying Behaviour of Consumers:

A consumer's buying behavior is influenced by cultural, social, personal and psychological

factors. Consumer behavior is a part of human behavior and by studying previous buying behavior, marketers can estimate how consumers might behave in the future when making purchasing decisions.(Kotler&Armstrong)

Our study A consumer, making a purchase decision will be affected by the following three factors:

- ❖ Personal factors
- ❖ Psychological factors
- ❖ Social factors
- ❖ Cultural factors

The marketer must be aware of these factors in order to develop an appropriate MM for its target market.

Personal factors:

An individual's decisions are influenced by personal factors such as a buyer's age and life cycle state, occupation, economic situation, lifestyle, and personality and self-concept. Consumers' change during their life and buying of products alter depending on age and stage of life. Age related factors are such as taste in food, clothing, recreation and furniture. Moreover, environment, values, lifestyle, hobbies and consumer habits evolve during lifetime. Family life stages change purchasing behavior and brand selection. Traditionally a family life cycle included only young singles and married couples with children. Nowadays marketers are focusing on alternative, nontraditional stages such as unmarried couples, childless couples, same sex couples, single parents and singles marrying later in life.

Psychological factors:

A buyer's choices are also influenced by four psychological factors, i.e. motivation, perception, learning, and beliefs and attitudes. A consumer is an individual who has different kind of needs. These needs can be biological like thirst or psychological arising from the need of recognition or belonging. A need can be aroused to a sufficient level of intensity when it alters a motive. A motive is basically a need that drives a person to seek satisfaction. Abraham Maslow is probably the most know psychologist who has examined human needs. He sought to explain why humans are driven by different needs at different times. Maslow's hierarchy of needs focus the most pressing at the bottom and the



least pressing at the top. The basic rule is to satisfy first the basic need before proceeding up the ladder. When that need has been fulfilled, it stops being a motivator and a person focuses on the next most important need. Maslow's needs are:

1. Physiological: basic need such as sleep, food or water.
2. Safety: need to feel secured and protected.
3. Belongingness: need to feel loved and be accepted by others.
4. Ego needs: to accomplish something and have status among others.
5. Self-actualization: to have enriching experiences and feel self-fulfillment.

Social factors:

Social factors affect consumer behavior significantly. Every individual has someone around influencing their buying decisions. The important social factors are: reference groups, family, role and status. Every consumer is an individual, but still belongs to a group. The group to which a consumer belongs is called a membership group. This is a direct and simple classification. The second group type is a reference group. The reference group influences the self-image of consumers and consumers' behavior. The reference group provides some points of comparison to consumers about their behavior, lifestyle or habits. Usually there are many smaller reference groups, which are formed by family, close friends, neighbors, work group or other people that consumers associate with. The groups to which a consumer does not belong yet can also influence. Aspirational groups are groups where a

consumer aspires to belong and wants to be part in the future.

Culture and Sub-culture factors:

Culture refers to the set of values, ideas, and attitudes that are accepted by a homogenous group of people and transmitted to the next generation. Culture also determines what is acceptable with product advertising. Culture determines what people wear, eat, reside and travel. Cultural values in the US are good health, education, individualism and freedom. The norms and values learned from their parents (nurture) and their surroundings such as education and the work environment (nature) are then passed down to future generations.

Subculture: A culture can be divided into subcultures on the basis of demographic characteristics, geographic regions, national and ethnic background, political beliefs, and religious beliefs. A **subculture** is a homogeneous group of people who share elements of the overall culture as well as cultural elements unique to their own group. Within subcultures, people's attitudes, values, and purchase decisions are even more similar than they are within the broader culture. Sub cultural differences may result in considerable variation within a culture in what, how, when, and where people buy goods and services.

REVIEW OF LITERATURE:

In a study conducted by **Najeemudeen.K.P .. el (2016)** on Information Sources for Two-wheeler Purchase: An Analytical Study with Special Focus on Malappuram District of Kerala. The study was intended to investigate and identify the information sources through which customers are



gathering information on purchase decision and also tends to analyze the effects of the socio-economic characteristics of consumers on these information sources. This study was conducted with a sample size of 681 Two-wheeler users in Malappuram district of Kerala. Statistical tools like Chi-square analysis, ANOVA, Z-Test, Multiple Correlation, Multiple Regression and Friedman Test has been used for the meaningful analysis and interpretation of data. The study found that customers gather maximum information on which brand and model to be purchased, put more faith on the feedbacks given by the existing two-wheeler users and word of mouth, using internet and social media for collecting information about the latest models of two-wheelers, seek the opinion and recommendation of two-wheeler mechanics about the best brands and models, show a very low reliance upon television commercials adds.

In a study conducted by **Dr. A. Valarmathi .(2015)** on "factors influencing the students buying behavior of two wheelers in Tirupur district". The study found that the personal factors and product characteristics are important for students' consumers in the process of purchase decision making. The study also found that two-wheeler purchases are driven by different factors such as Better look & style, Pickup and speed, Good mileage, Easy maintenance, new models, after sales and service, Price etc

Fahmeeda Yasmeen (2015) conducted a study on 'Consumer Behaviour towards Brand Positioning of Two-Wheeler Bikes in Chennai City. The study focused to identify the factors influencing consumers in the selection and purchase of a particular brand of two-wheeler. The study found that

consumers were mostly influenced by parents and friends in the process of buying decision process. The study also found that television also plays an important role in influencing the customers to buy a particular brand of two-wheeler.

In a study conducted by **Kavitha ..el (2015)** Customer Satisfaction towards Honda Activa with Special Reference to Pollachi Taluk. The study aimed to identify the factors influencing consumers to purchase Honda Active, effect of advertisement on buying decision of the customers. The study found that advertisements had a prominent role in the buying decision of the customers. The study also found that frequency of Ads had to be increased impact and position product in mind set of customers that last for a long time.

In a study conducted by **Ketan Kamra (2015)** on "Influence of Social Media on the Indian Automotive Consumers: Primary Study in National Capital Region". The study ventured to investigate and identify the extent of influence of social media in the Indian Automotive. The study found that social media had a strong influence on consumers over multiple buying processes parameters. The study also found that social media influence through vehicular research, suggestions, vehicle technologies, finance calculator and Facebook page marketing had showed a significant impact on consumer before buying an automobile.

OBJECTIVES OF THE STUDY:

- ✓ To study the demographic factors of the selected consumers.



- ✓ To study the factors that influence buying behaviour of Consumers
- ✓ To analysis and conclude the study.

HYPOTHESIS:

H₁: Personal factors do influence the buying behaviour of consumers

H₀: Personal factors do not influence the buying behaviour of consumers

H₂: Social factors do influence the buying behaviour of consumers

H₀: Social factors do not influence the buying behaviour of consumers

H₃: Psychological factors do influence the buying behaviour of consumers

H₀: Psychological factors do not influence the buying behaviour of consumers

H₄: Cultural factors do influence the buying behaviour of consumers

H₀: Cultural factors do not influence the buying behaviour of consumers

Research methodology:

The present study stands on the pillars of data. The study comprises of data collected through primary sources and secondary sources. Primary data was collected with the help of questionnaire, observation and discussions to the sample size selected from Rayalaseema region compression of Anantapuramu, Kurnool, Kadapa and Chittoor districts. The questionnaire was predesigned and pre-

tested before it was administered. Secondary data was collected from dailies, weekly, monthly journals, newspapers, reference books, survey reports, records and annual reports of two wheeler companies, periodical from Society of Automobile Manufacturers Association e.t.c.

Statistical tools: The data are tabulated and analysed keeping in view the objectives spelt out and hypothesis formulated. Simple percentage technique has been used to analyze the responses of respondents. Chi-square test has been used to test the hypothesis at 5% level of significance and other tools as felt necessary.

Period of Study: The study was conducted during the period from the July 2016 to January 2017.

Size of Sample: Convenient sampling technique is adopted in this study. Samples of 60 two wheeler users were considered from the each important towns of Rayalaseema region of Andhra Pradesh districts namely Anantapuramu, Kurnool, Kadapa and Chittoor. In the data cleaning process 20 questionnaires were found inappropriate for the reason that they had incomplete, inconsistent and illegible responses and were excluded from the final analysis thereby the sample size was finally reduced to 220.

The table 2 depicts the two wheelers users equal proportionately considered for the study.



Table: 2 selections of two wheelers users as area wise

S.No.	Name of the area of Rayalaseema Region of Andhra Pradesh	Size of sample selected	Percentage
1.	Anantapuramu	60	25%
2.	Kurnool	60	25%
3.	Kadapa	60	25%
4.	Chittoor	60	25%
Total		240	100

Source: Field Survey

The socio-economic background of the population regarding gender wise was depicted in Table 3.

Table 3: Socio-economic background of the population (gender wise)

S.No.	Demographic Profile	Category	Frequency	Percentage%
1	Gender	Male	132	60 %
		Female	88	40 %
Total			220	100

The analysis indicates that 60% of the respondents were male and remaining 40% of the respondents were female.

The demographic profile of the respondents was tabulated in Table 4 as follows.

Table 4: Demographic profile of the respondents

S.No.	Demographic Profile	category	Frequency	Percentage%
1.	Age	≤ 20 years	25	11.36
		21-35 years	135	61.37
		36- 50 years	32	14.55
		50 +	28	12.72
		Total	220	100
2.	Marital status	Married	158	71.81
		Unmarried	62	28.19
		Total	220	100



3.	Education	< Graduate	68	30.91
		Graduate	72	32.72
		PG	44	20
		PG +	36	16.37
		Total	220	100
4.	Financial Status	Dependent	90	40.91
		Independent	130	59.09
		Total	220	100
5.	Profession	Student	102	46.37
		Service/ employees	68	30.91
		Business	50	22.72
		Total	220	100

Source: Field Survey

From Table 3, it is evident that 67.35% of the respondents belonged to the age group of 21 - 35 years, 32.72% of the respondents were graduates, 30.91% of the respondents were employees, 44% of the respondents, 71.81% of the respondents were married, 59.09% of the respondents were financially independent. 46.37% of the respondents were students for taken for this study.

Testing of Hypothesis :

Hypothesis:1 H₁: Personal factors do influence the buying behaviour of consumers

H₀: Personal factors do not influence the buying behaviour of consumers

Hypothesis is tested using Chi-square Test.

The primary data collected can be arranged in the form of a 2 x 2 contingency table as given below in table 5.



Table 5: Contingency table - hypothesis I

Description of Element	Influence the buying behaviour of consumers	Do not influence the buying behaviour of consumers	Summation
Considering Personal Factors	164	32	196
Not Considering Personal Factors	16	8	24
Sum total	180	40	220

Source : Field Survey

Under the null hypothesis of independence, various expected frequencies are calculated and computation of CHI-Square is as follows in table 6

Table: 6 Computation of CHI-Square for hypothesis- I

Observed Frequencies(O)	Expected frequencies (E)	o-E	(O-E) ²	(O-E) ² /E
164	160.3	3.7	13.69	0.085402
32	35.7	-3.7	13.69	0.383473
16	19.7	-3.7	13.69	0.694924
8	4.3	3.7	13.69	3.183721
Total				4.347521

$$X^2 = \sum\{(O-E)^2/E\} = 4.347521$$

$$d.f = (2-1)(2-1) = 1 \text{ and } X^2_{0.05} \text{ for } 1 \text{ d.f.} = 3.84$$

Since calculated value of X^2 viz., 4.347521 was much greater than the tabulated value, it is highly significant and hence the null hypothesis refuted (rejected) at 5% level of significance. Hence, we conclude that Personal factors do influence the buying behaviour of consumers

Hypothesis: 2

H₂: Social factors do influence the buying behaviour of consumers

H₀: Social factors do not influence the buying behaviour of con

The above hypothesis is tested using Chi-square Test.

The primary data collected can be arranged in the form of a 2 x 2 contingency table as given below in table 7.



Table 7: Contingency table for hypothesis II

Description of Element	Influence the buying behaviour of consumers	Do not influence the buying behaviour of consumers	Summation
Considering Social Factors	174	22	196
Not Considering Social Factors	8	16	24
Sum total	182	38	220

Source : Field Survey

Under the null hypothesis of independence, various expected frequencies are calculated and computation of CHI-Square is as follows in table 8

Table 8: Computation of CHI-Square for hypothesis- II

Observed Frequencies(O)	Expected frequencies (E)	o-E	(O-E) ²	(O-E) ² /E
174	162.1	11.9	141.61	0.873597
22	33.9	-11.9	141.61	4.177286
8	19.9	-11.9	141.61	7.11608
16	4.1	11.9	141.61	34.53902
Total				46.70599

$$X^2 = \sum\{(O-E)^2/E\} = 46.70599$$

$$d.f = (2-1)(2-1) = 1 \text{ and } X^2_{0.05} \text{ for } 1 \text{ d.f.} = 3.84$$

Since calculated value of X^2 viz., 46.70599 is much greater than the tabulated value, it is highly significant and hence the null hypothesis refuted (rejected) at 5% level of significance.

Hence, we conclude that Social factors do influence the buying behaviour of consumers

Hypothesis: 3

H₂: Psychological factors do influence the buying behaviour of consumers

H₀: Psychological factors do not influence the buying behaviour of con

The above hypothesis is tested using Chi-square Test.



The primary data collected can be arranged in the form of a 2 x 2 contingency table as given below under in 9.

Table 9: Contingency table for hypothesis III

Description of Element	Influence the buying behaviour of consumers	Do not influence the buying behaviour of consumers	Summation
Considering Psychological Factors	176	24	200
Not Considering Psychological Factors	14	6	20
Sum total	190	30	220

Source: Field Survey

Under the null hypothesis of independence, various expected frequencies are calculated and computation of CHI-Square is as follows in table 10.

Table 10: Computation of CHI-Square for hypothesis- III

Observed Frequencies(O)	Expected frequencies (E)	o-E	(O-E) ²	(O-E) ² /E
176	172.7	3.3	10.89	0.063057
24	27.3	-3.3	10.89	0.398901
14	17.3	-3.3	10.89	0.62948
6	2.7	3.3	10.89	4.033333
Total				5.124772

$$X^2 = \sum\{(O-E)^2/E\} = 5.124772$$

$$d.f = (2-1)(2-1) = 1 \text{ and } X^2_{0.05} \text{ for } 1 \text{ d.f.} = 3.84$$

Since calculated value of X^2 viz., 5.124772 is much greater than the tabulated value, it is highly significant and hence the null hypothesis refuted (rejected) at 5% level of significance.

Hence, we conclude that Psychological factors do influence the buying behaviour of consumers

Hypothesis: 4

H₂: Cultural factors do influence the buying behaviour of consumers

Alternative hypothesis

H₀: Cultural factors do not influence the buying behaviour of con

The above hypothesis is tested using Chi-square Test.



The primary data collected can be arranged in the form of a 2 x 2 contingency table as given below in table 11.

Table 11: Contingency table for hypothesis IV

Description of Element	Influence the buying behaviour of consumers	Do not influence the buying behaviour of consumers	Summation
Considering Cultural Factors	177	20	197
Not Considering Cultural Factors	14	9	23
Sum total	191	29	220

Source : Field Survey

Under the null hypothesis of independence, various expected frequencies are calculated and computation of CHI-Square is as follows in table 12.

Table 12: Computation of CHI-Square for hypothesis- IV

Observed Frequencies(O)	Expected frequencies (E)	o-E	(O-E) ²	(O-E) ² /E
177	171.03	5.97	35.6409	0.20839
20	25.97	-5.97	35.6409	1.372387
14	19.97	-5.97	35.6409	1.784722
9	3.03	5.97	35.6409	11.76267
Total				15.12817

$$X^2 = \sum\{(O-E)^2/E\} = 15.12817$$

$$d.f = (2-1)(2-1) = 1 \text{ and } X^2_{0.05} \text{ for } 1 \text{ d.f.} = 3.84$$

Since calculated value of X^2 viz., 15.12817 is much greater than the tabulated value, it is highly significant and hence the null hypothesis refuted (rejected) at 5% level of significance.

Hence, we conclude that Cultural factors do influence the buying behaviour of consumers.

Conclusion:

Consumer buying behaviour was influenced by different factors namely Personal factors, Psychological factors,

Social factors and Cultural factors. The study found that Personal factors (calculated value of X^2 viz., 4.347521 was much greater than the tabulated value and H_0 rejected and H_1 accepted) like



buyer's age and life cycle state, occupation, economic situation, lifestyle, and personality and self-concept, followed by Psychological factors (calculated value of \bar{X}^2 viz., 5.124772 was much greater than the tabulated value and H_0 rejected and H_2 accepted) motivation, perception, learning, and beliefs and attitudes, followed by Social factors (calculated value of \bar{X}^2 viz., 46.70599 was much greater than the tabulated value and H_0 rejected and H_3 accepted) reference groups, family, role and status and followed by Cultural factors (calculated value of \bar{X}^2 viz., 15.12817 was much greater than the tabulated value and H_0 rejected and H_1 accepted) set of values, ideas, and attitudes influence the buying behaviour of consumers regarding two wheelers purchase.

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