

# Relative Influence of Advertisement on Consumer Decision Making Process- A Comparative Analysis of Nagpur and Bhopal City

Dr. Ritu Tiwari

Associate Prof. & Head, Dept. of Economics, D.A.K.M.V.Nagpur

**Abstract:** In the present scenario, where market is becoming the prime mover and the mechanism accepted worldwide to achieve higher rate of growth with control fiscal deficit, It is necessarily to understand the change occurred in the life style and consumption pattern, the analysis of the changes in the consumption behavior is essential to understand not only the function of the market but to study the factor affecting the behavior of consumption. Global environmental changes cannot be understood unless the consumption pattern is taken into account. Several studies have been conducted at the world level all India level as well as at the occupational level also. This paper is an attempted has been making to review the influence of advertisement on consumption behavior pattern. This would be useful in developing the methodology and other techniques to analyses the consumption behavior pattern and the changes which have been occur in two major cities which are centrally located in India. This study would represent, in general, changes in consumer behavior of the country. As advertising has become prevalent in modern society, it is increasingly being criticized. Advertising occupies public space and more and more invades the private sphere of people. According to Georg Franck, "It is becoming harder to escape from advertising and the media. The recent upsurge of interest in consumer education can be expected to lead, in the long-run, to significant changes in consumer behavior. This paper contains a brief description of existing various occupational levels and a discussion of hypotheses about how different occupational level could be affected consumer behavior through commercial ads. The study of consumer behavior not only helps to understand the past but even predict the future.

**Key words:** consumption, factors, consumption behavior, advertisement, occupation level

## I. INTRODUCTION

Consumer behaviour can be extensively delegated the choices and activities that impact the obtaining conduct of a purchaser. What drives shoppers to pick a specific item as for others is an inquiry which is frequently examined and considered by advertisers. A large portion of the choice procedure engaged with acquiring depends on feelings and thinking.

The approach of web-based social networking has opened another road of advertising for enterprises. The conventional "informal" exposure has been supplanted by the "expression-of-web", as shoppers are progressively alluding to web-based social networking locales before making a buy, enormously impacting purchasing conduct. In spite of the fact that most organizations nowadays have an official site which has finish data about their items, purchasers more often than not connect with an organization in the wake of perusing surveys and input from existing clients.

Before purchasing an item, every shopper needs to ensure that the item is the best in its class, and offers great

incentive for cash. This is the place online networking has an imperative impact in characterizing shopper conduct. Individuals who have effectively utilized the item depict their experience – its qualities, shortcomings and so forth., and this aides in dispersing data.

Purchaser is the King of all the showcasing exercises of all the business and modern undertakings of today circumvent the propensities, tastes, inclinations and mentalities of shoppers. Every one of the endeavors are made to give most extreme fulfillment to greatest purchasers. Advertisers have come to understand that no showcasing endeavors can be fruitful if the decisions, tastes and states of mind of customers are not appropriately considered. In this way, the anxiety lay after showcasing research and the investigation purchaser conduct. Further, a purchaser buys an item as a result of certain physical, social and prudent powers making a want or a need for the item. A choice to purchase an item is taken subsequent to going through various stages. Need acknowledgment is the main thing in the purchasing stages, which is trailed by item mindfulness, intrigue,

assessment and expectation, wellspring of data, buy and post buy conduct.

## II. REVIEW OF LITERATURE

The blasting notice industry has been instrumental in upgrading purchaser learning about accessible apparatuses and the needs they should serve. Advertising impacts buyers' inclination. This might be on the grounds that Television consolidates movement, sound, and uncommon visual impacts. The item can be exhibited and depicted on T.V. it likewise offers wide geographic scope and adaptability concerning when the message can be exhibited. It has been appeared from the examination that promoting does not changing effect on age gathering.

Khan, Chang & Horridge, (1992) demonstrated the choice of media depends on the qualities of media, the socioeconomics and psychographics of the objective market, and the attributes of the item. Results demonstrated that reluctance and statistic Variables, for example, age, instruction, occupation, conjugal status, ethnic gathering, and political viewpoint influenced the utilization of daily papers, magazines, radio, and TV.

Namita Rajput, Subodh Kesharwani and Akanksha Khanna (2012) in their examination "Flow of Female Buying Behavior: A Study of Branded Apparels in India" found in the investigation that there is an entire familiarity with the marked clothes among females and their shopping conduct mirror that they purchase these items incidentally. The way of life is moving towards purchasing from the shopping centers in light of shopping background the customers get. The most essential wellspring of data was observed to be family and companions took after by web and commercial. It is seen in the investigation that Price, Fitting, Income Level of purchasers are huge elements and females have particular interest for these elements in unmistakable clothing shopping conduct

In view of this investigation, commercial and quality are the main considerations in charge of the achievement of Cadbury dairy drain. TV is the best medium which most customers referred to. Concerning the publicizing media, this examination uncovered that TV is the best media utilized as a part of promoting an item. In perspective of this, more thought ought to be given to TV as a medium of publicizing in view of movement; sound, and unique visual impacts, geographic scope additionally the item can be exhibited and portrayed on TV (FazlollahKazemi, 2010).

According to 2004-05, 61st round NSSO expansive example business joblessness study, the normal wage rate of a male specialist was Rs. 145 when contrasted with just Rs. 85.50 for a female specialist in provincial India. In urban territories the normal wage rates for a male and a female laborer have been Rs. 203 and Rs. 153 individually. Obviously, more say of ladies in the utilization choice guarantees certain sort of utilization

design which is great from the perspective of the conceptive society and furthermore fundamental for a superior future. From an arrangement point of view, if the hypothesis of open fund instructs us to demand additional expense on 'wrongdoing products' and to make more open arrangement of 'justify merchandise', a similar method of reasoning applies for a pay redistribution for ladies. It is obviously that managed ladies strengthening requires more occupations for ladies at improved wage rate which is in any event at standard with that of men alongside approach access to resources.

EuYounChah, Valerie A. Ramey, Ross M. Starr(2013) builds up a hypothesis of ideal utilization conduct within the sight of obtaining requirements, and tests that hypothesis utilizing total information on the supply of sturdy products and buys of nondurable merchandise. They assumed families are forward-looking and boost expected lifetime utility, subject to current resources, current wage, and expected future wage. Their test concentrates on the connection between the peripheral utility of family unit sturdy merchandise possessions and the negligible utility of nondurable utilization. In the event that capital markets are immaculate, at that point these two factors will dependably be in a harmony relationship with respect to each other. Within the sight of capital market defects, in any case, the between these two factors will have prescient power for the present change in nondurable merchandise utilization. Purchasers incidentally rundown their durables stocks and reallocate uses to current nondurable utilization; they envision a consequent increment in feasible use levels and they design a future increase in tough products stocks and uses.

## III. RESEARCH GAP

There are several research that have been done on consumption behavior. Many theories are established and empirical work has been done. Many physiological factors which influence consumption behavior at one place cannot generalize to another because of variation in cultural and religious differences as well as perception of individual's regarding their consumption behavior. An effort is made in the present paper to adopt comparative research to find the most influencing factor in consumer decision making process.

## IV. STATEMENT OF THE PROBLEM

The problem statement includes the issue that the marketers use same appeal for all and try to capture the maximum market however many demographic factors are there to influence consumption behavior such as Age, Gender, Religion, Occupation, Income, Family size, Education etc. these factors influence the way of buying decision and overall consumption behavior. Therefore the study classified respondents on the basis of above categories to identify which factor influence more and at

what extant. As such, problem may be stated as “Advertisement is not one of the dominant factors in changing consumption pattern in Nagpur and Bhopal city?”

## V. OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

- To study the influence of advertisement on consumption behavior among various consumers in select cities;
- To analyse the different factors influencing consumption behavior in both the cities, and
- To study the basic difference in the consumption behavior between the two cities.

## Hypothesis

H<sub>1</sub>: Influence of advertisement on product selection is not dependent on different occupational groups of consumers.

## VI. SIGNIFICANCE OF THE STUDY

The company improves their marketing strategy and marketing campaigns based on their focused consumer behavior. This research will be able to identify the basic consumer's attitude and analyse that how consumption pattern of different occupational group influenced by advertisement. This will help the marketers to keep in mind the important factors that the consumers will be buy the products more by relating the products to their needs and desires.

## VII. METHODOLOGY

As the present study is about consumer behaviour, survey method was adopted in which questionnaires were used to obtain data for further processing of the research topic. The nature of this research is descriptive and type of the research is survey based. This research methodology was selected because of its consumer based aspect, as usually the consumer based researches cannot be done without making surveys, questionnaires to be more specific.

The sampling frame for the present research study would be comprised of adult respondent of selected Zonal area of Bhopal city. Bhopal city is classified into four different parts, based on geographical location, East, West, North and South using their Municipal Corporation's zonal division, as the source.

The sample has been collected with the help of random sampling, which ensures that each of the samples of size  $n$  has an equal probability of being picked up as the chosen sample. Total 400 responded were surveyed for this empirical study. These respondents were selected by cluster sampling method. This was deliberately attempted to bring forward the hypothesis that consumers are treated equally irrespective of their social position in the society. All respondents were adult, with an average age of 39 years (range 20-67) and standard deviation of 8.302.

It should be taken care that all age groups were equal weighted in the investigation.

To know the criteria of product selection, brand preferences and buying decision with various variables were presented by the help of cross-tabulation. The results of cross-tabs would provide a meaningful association among different variables measured on nominal and interval scale. The results with the help of Chi-square test ( $\chi^2_{.05}$ ) would also reveal that the independence / dependence and goodness of fit among the variables.

## VIII. FINDINGS OF THE STUDY

### Profile of the Respondents

As can be observed from Table 1, all the selected respondents were adult, with an average age of 39 years (range 20-67) with 25.7 percent female and 74.3 percent male. 73.8 percent were married, 21.4 percent were unmarried & 4.9 percent included widow or divorcee. 49.8 percent have completed graduation, the least (4.4 percent) had SSC, 39.6 percent Post graduate & 4.9 percent respondent having PhD as their educational qualification. The majority of respondents (66.3 percent) belongs to Hindu religion, in which (44.5 percent) were from general category (11.1 percent) belongs to OBC (5.3 percent) was SC and (4.3 percent) respondent were from ST category. Second major respondent (11.8 percent) were from Muslims religion in which (2 percent) were from general category (4.8 percent) belongs to OBC (5.3 percent), with average income of 30636.88, & the Standard Deviation of 11192.

55.9 percent of respondent were engaged in business activity, in which majority of 36.5 percent were doing trade, 13.9 percent were doing construction and 5.5 percent were in manufacturing business, and rest 44.1 percent respondent doing service to earn their livelihood, in which 25.5 percent were in private job and other 18.6 percent were in public sector job. The majority of the respondents 61.6 percent were encompass monthly household income INR 20,000 to INR 40,000, followed by 21.8 percent respondent earn up to Rs. 20,000, and 16.6 Percent of respondent were earn above 40,000 per month. The aggregated mean of income was Rs. 30636.88, with the Standard Deviation of Rs. 11192. That means medium middle class society having dominant representation in the investigation, as it represent in the Indian economy.

The average family size of the respondents was 2.28, and 41 percent of respondent having three members in their family. 28.1 percent of respondent having two members and 19.9 percent of respondent having four members in their family, 3 percent of respondent having five and above members in their house hold size and 8 percent of respondent were single.

**Table 1: Profile of Respondent**

Personal Profile	Classification	Frequency	Percentage
Age	20 to 30	189	23.6
	31 to 40	194	24.3
	41 to 50	210	26.3
	more than 51	207	25.9
	<b>Mean: 39.92</b>	<b>Standard Deviation: 8.302</b>	<b>Standard error: 0.294</b>
Gender	Male	594	74.3
	Female	206	25.7
Marital Status	Married	590	73.8
	Unmarried	171	21.4
	Others	39	4.9
Education	Primary and secondary	35	4.4
	Graduates	398	49.8
	Post Graduate	317	39.6
	Doctorate	39	4.9
	Medical	11	1.4
Religion	Hindu	530	66.3
	Jain	68	8.5
	Muslims	94	11.8
	Buddhist	89	11.1
	Christian	14	1.8
	Others	5	0.6
Caste	General	401	51.1
	S.C.	149	18.6
	S.T.	63	7.9
	O.B.C.	168	21.0
	Other	19	2.4
Occupation	Business	447	55.9
	Service	353	44.1
Monthly Income	Up to 20000	174	21.8
	20001 to 40000	493	61.6
	40001 above	133	16.6
	<b>Mean: 30636.88</b>	<b>Standard Deviation: 11192</b>	<b>Standard error: 395.6</b>
House hold Size	One	64	8.0
	Two	225	28.1
	Three	328	41.0
	Four	159	19.9
	Five and above	24	3.0
	<b>Mean: 2.28</b>	<b>Standard Deviation : 0.942</b>	<b>Standard error: 0.033</b>

**Source:** Field Survey

**Observation**

Majority of the respondents were engaged in trade (37.8 percent in Nagpur and 35 percent in Bhopal) in both cities (Table 2). 23.8 percent of respondent from trade in Nagpur and 15.8 percent in Bhopal were choosing brand by watching television, 11.5 percent worker from public sector, 10.3 percent from private jobs, 6 percent from

construction and 3.8 percent from manufacturing occupation preferred television as their brand selection in Nagpur. Whereas 13.5 percent from private jobs, 9.5 percent from construction, 7.8 percent from public service and 2.5 percent were from manufacturing occupation choosing brand by watching television in Bhopal.

**Table 2: Types of business of the respondent Vs. Reason for Choosing a particular brand**

Name of the city and occupational background of the respondents		Reason for Choosing a particular brand?				Total
		Advertisement in T.V.	Advertisement in News Papers	Advertisement through Hoardings, banners, etc.	Other	
Nagpur	Construction	6.0%	2.3%	.3%	1.5%	10.0%
	Trade	23.8%	10.3%	1.0%	2.8%	37.8%
	Manufacturing	3.8%	2.0%	.3%	.8%	6.8%
	Public Service	11.5%	6.8%	1.0%	3.8%	23.0%
	Private service	10.3%	4.8%	1.0%	6.5%	22.5%
	Total	55.3%	26.0%	3.5%	15.3%	100.0%
Bhopal	Construction	9.5%	5.3%	1.0%	2.0%	17.8%
	Trade	15.8%	12.3%	3.8%	3.3%	35.0%
	Manufacturing	2.5%	.8%	.5%	.5%	4.3%
	Public Service	7.8%	6.8%	.5%	2.3%	17.3%
	Private service	13.5%	7.0%	1.5%	3.8%	25.8%
	Total	49.0%	32.0%	7.3%	11.8%	100.0%

Source: Field survey

Table 3 shows that chi-square results of Nagpur ( $\chi^2=23.866$ ,  $df = 12$ ,  $p=0.021$ ) revealed that there was significant association between occupation level and

product selection by advertisement. ( $\chi^2= 11.701$ ,  $df = 12$ ,  $p=0.470$ ) of Bhopal revealed that there was not a significant association between occupation level and product selection by advertisement.

**Table 3: Chi-Square Tests**

Name of the city where the respondent lives		Value	df	Asymp. Sig. (2-sided)
Nagpur	Pearson Chi-Square	23.866 <sup>a</sup>	12	.021
	N of Valid Cases	400		
Bhopal	Pearson Chi-Square	11.701 <sup>b</sup>	12	.470
	N of Valid Cases	400		

Source: Field survey

**Results interpretation:** The results revealed that influence of advertisement on consumer decision making process were not dependent on different occupational level in Bhopal but it was dependent in Nagpur. Consumption behaviour in Nagpur was different from Bhopal. Level of occupation influence respondent's choosing the particular brand, we can predict that occupational structure in Nagpur is one of the dominant factor which influence consumption pattern. May be Nagpur have more effective social connectivity among different occupational groups. Social structure of any city is also playing important role in determining consumption behavior.

## IX. CONCLUSION

After going through the study, it can thus be concluded as follows:

- **Product selection by advertisement** was not dependent on different age group of consumers. Most of the respondents' were watching television; therefore, the consumers' different age group was influenced by ads on T.V. which affects most consumers' buying behavior but **impact of media was increased by age, there was positive correlation between age and**

**media, we can say that aged people were influenced more by advertisements than young generation.** Most of the respondents' were watching television; therefore, the consumers' different income group was influence by ads on T.V. that affecting most consumers' buying behaviour in both cities.

- It was observed that there were differences in effect of religion and occupation in both cities. Product selection by advertisement was not dependent on occupation in Bhopal but it was dependent in Nagpur, we can say that respondents from same occupation were behaving similar pattern while selecting the preferred product in Nagpur.
- It was also observed that advertisement was not associated with religion in Nagpur but it was associated with religion in Bhopal. Religion in Nagpur was not influence respondent's selection of particular brand but it influence respondent's selection of the particular brand in Bhopal. In other words we can say that consumer from same religion behaving in the similar manner in Bhopal.

- Product selection by influence by friends was dependent on religion in Nagpur but it was not dependent in Bhopal. RIH Proposed by James Duisenberg 1949 stated that the consumption and saving level of individual households will be affected more by peer groups and neighbourhoods than by abstract standard of living, this supports the finding that **Consumer's imitated consumption pattern of their peer group conditionally, either by house-hold size or when they belong to a same religion.** The reason behind this fact may be social communication; generally people develop their social contacts with the people belongs to the same religion or same occupation. These social contacts become their peer groups and they try to imitate them by following their consumption behaviour.
- Product selection by advertisement was not dependent on different income group. Most of the respondents' were watching television; therefore, the consumers' different income group was influence by ads on T.V. that affecting most consumers' buying behavior.

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