



*Journal of Advances and
Scholarly Researches in
Allied Education*

*Vol. VIII, Issue No. XVI,
Oct-2014, ISSN 2230-7540*

**THE FACTORS OF SUCCESSFUL FAMILY
BUSINESS: A STUDY ON CONSUMER DURABLE
SECTOR**

AN
INTERNATIONALLY
INDEXED PEER
REVIEWED &
REFEREED JOURNAL

The Factors of Successful Family Business: A Study on Consumer Durable Sector

Patel Kundan Vishnubhai

Research Scholar, Bhagwant University, Ajmer

Abstract – An understanding of purchase behaviour of consumers towards durable goods is essential as it reflects the influence of brands, price, quality, quantity, mode of purchase, etc. The success of the market or the failure depends on the purchase behaviour of consumers. Consumer is nerve centre of the modern marketing, understanding his behaviour is quite essential for efficient and effective marketing management. Customers may state their needs, wants but act otherwise. They may not be in touch with their deeper motivations. India's consumer market is riding the crest of the country's economic boom. Driven by a young population with access to disposable incomes and easy finance options, the consumer market has been throwing up staggering figures. Marketing problems confronted from the consumers' behaviour has a greater degree of similarity with behavioral problems. The use of durable goods is becoming increasingly popular in recent years in India.

Keywords: Consumers, Durable Sector, India, Behaviour, Marketing, Family Business, Successful, Economic, Finance, etc.

----- X -----

INTRODUCTION

Family Business can be defined as one where owner has power to take strategic decisions, succession is based on family relation and the owner has full liberty to appoint his relative to any positions he wants [1]. Consumer behaviour or buyer behaviour has gained increased importance in a consumer oriented marketing planning and management. The study of consumer behaviour is an attempt to understand what the consumer want, why they want. Consumer behaviour reflects the totality of consumer's decisions with respect to acquisition, consumption and disposition of goods, services, time and idea by human decision making [2]. It also includes whether, why, when, where, how, how much and how often and how long consumer will use or dispose of an offering. The buying behaviour of consumer has become a great necessity in modern marketing system, because success or failure ultimately depends upon the buying behaviour of the target customers considered individually or a group [15]. Therefore in order to undertake the marketing programmes among different segment markets, the marketing management must find out the various factors that influences in buying decisions of the consumer [3]. The character, behaviour and attitude of consumer are the important dimensions in the decision making process. The subject of buying behaviour is relatively a new discipline of the study of marketing. It has now become the central topic of modern marketing since the

ultimate aim of marketing is consumer satisfaction and profit making [4].

REVIEW OF LITERATURE:

It was found that, in most of the cases head of a household and his wife acted as a decision maker. Influence of wealth, income, education and savings were found negative. But influence of advertisement was found higher (97%) in the study [5]. the influence of socio-economic profile, role of family and reference groups, life style, brand awareness, factors influencing, buying motives, effectiveness of promotional plans on the purchase decision in respect of select five durable products - Television, Washing Machine, Refrigerator, Mixer and Fan. The results of the study revealed that majority of the consumers purchased the television, washing machine and Refrigerator from authorized dealers whereas mixer and fan from retailers [6]. Company's advertisements, reputation, price and quality of the product were some of the factors that influenced the choice of consumer durables. The study concluded that the modern market is highly competitive and transitional. Thus, the role played by consumer is very prominent and the marketer should consider the behaviour and attitude of the consumers before introducing the product into the market [7].

Strategic issues of family business are affected by four variables:

- a. External Environment – Threats and opportunities.
- b. Internal Capabilities – Strengths and weaknesses.
- c. Personal thinking of the owner.
- d. Inter-personal relation between family members.

All these four variables affect the family businesses strategy. Analysis of competition within an industry and the corporate strategic process by western writers is based on the assumptions, which are not relevant in Indian conditions [8]. Indian family business houses do not accept the separate identify of the companies and consider all the companies of their group as their personal property [9].

1. Characteristics of Buyer Behaviour:

- Buyer behaviour comprise mental and physical activates of a buyer when he wants to buy goods and service to satisfy his needs.
- It includes both visible and invisible of buyer. The visible activates refer to physical activity like actually going to the market place, buying the product and consuming them. The invisible activates on the other hand, refer to mental activates like thinking about the product, deciding to buy or not to buy that product, to buy one brand instead of another etc [10].
- Buyer behaviour is very complex and dynamic also. It is constantly changing requiring certain adjustment. The marketing management which fails to make such adjustments would certainly lose its market.
- An individual buying behaviour is also influenced by internal factors such as needs, habits, instincts, motives, attitudes etc and also by outside or environmental factors such as family, social, groups, culture, status, positions, economic and business conditions. In narrow sense, consumer behaviour is the act of a consumer when he is engaged in buying and consuming a good or a service.

2. Statement of the Problem:

An understanding of purchase behaviour of consumers towards durable goods is essential as it reflects the influence of brands, price, quality, quantity, mode of purchase, etc. The success of the market or the failure depends on the purchase behaviour of consumers [11]. Consumer is nerve centre of the modern marketing, understanding his behaviour is quite essential for efficient and effective marketing management. Customers may state their needs, wants but act otherwise. They may not be in touch with their

deeper motivations. India's consumer market is riding the crest of the country's economic boom [12]. Driven by a young population with access to disposable incomes and easy finance options, the consumer market has been throwing up staggering figures. Marketing problems confronted from the consumer's behaviour has a greater degree of similarity with behavioral problems. The use of durable goods is becoming increasingly popular in recent years in India [13].

3. Factors influencing the Purchase Decision of consumer Durable goods:

Once the integration is achieved, the organization can influence the purchase decisions much more easily. The owner of a registered brand personally stands behind the branded product and offers personal guarantee for maintaining the quality and standards of the product [14]. Consumer durable are normally more valued, high priced products and not frequently purchased products.

CONCLUSION:

The market for consumer durables is becoming more competitive now days. Therefore, the producer of durable products should understand consumer interest much to find higher sale of their products. Marketers communicate with consumers and try to convince through every possible media. To achieve success in the market, it has become highly inevitable to produce goods as preferred by the customer, as he is the kingpin around whom the entire marketing activity revolves. Thus, a marketer who understands the behaviour of the consumers and plan his marketing strategies to suit the needs and aspirations of the target market will definitely have an advantage over his competitors. The study recommend to marketers' unique promotion tool may not successful lead to the consumers, for the sack it may be identified the potential of consumers in segmented wise, and their promotion. So it is possible to emphasize the product way in multi dimension approach.

REFERENCES:

1. Venkateswara. M. and Reddy. B., "Marketing of TV sets – A Study of External and Internal Influence on Consumer Behaviour", Indian Journal of Marketing, Vol.27 (8): 20-24, August 1997.
2. Losarwar. S.G., "Consumer Behaviour towards Durable Products – A Study with reference to Marathwada Region", Indian Journal of Marketing, November 2002, pp.6-9.
3. Ruche Trehan and Harman Deep Singh, "A Comparative Study on Urban and rural Consumer Behaviour", Indian Journal of Marketing, Vol. XXXIII, No.8, August 2003, pp.7-11.

4. Mubarak Ali, K. "A study of the influence of family members and their interaction in the purchase decision (with special reference to durable goods)" – Ph.D Thesis, Bharathidasan University, Tiruchirapalli, February 2007.
5. Illias. K., "A Study on Consumer Behaviour towards Durable Products (with specific reference to TV Users in Thiruvananthapuram District, Kerala)", January 2008.
6. Dr. Hitesh D. Vyas, "Consumer Purchase of Consumer Durables: A Factorial Study", International Journal of Management & Strategy, July – December, 2010, Vol.1, No.1, pp. 1- 8/13.
7. Dr. Sarwade. W.K., "Consumer Behaviour and Marketing Trends of Consumer Durables in Aurangabad District", Pacific Publication, New Delhi, 2011, pp. 240-259.
8. Hamabata, Mathews Masayuki 'Power in the Japanese Business Family', Cornell University Press, 2000.
9. Gibban Ann 'The Breakup of a Family Empire', Macmillan of Canada, 2002.
10. Harris F.R., J.N. Tata 'The Chronicle of his Life', Blackie, 1993.
11. Cohn, Mike 'Passing the Tourn: Transfer Strategies for your Family Business', Liberty Hall Press, 2000.
12. Danco, Leon A. 'Beyond Survival: A Guide for the Business Owner and his family', Centrefor Family Business, 1975.
13. De-Vries, Manfred F. R. Kets 'Family Business: human Dilemmas in the Family Firm : Text & Cases', Intl. Thomson Computer Press, 1996.
14. Dyer W. Gibb. 'Cultural Change: In Family Firms – Anticipating and Managing Business & Family Transitions', Jossey Bass 1996.
15. Fritz Roger 'The Entrepreneurial Family: How to Sustain the Vision and Value in your Family Business', McGraw Hill, 2006.