



AN EMPIRICAL INVESTIGATION OF ATTRIBUTES, WHICH MOTIVATES A CUSTOMER TO BUY A PRODUCT: A CASE STUDY OF FINANCIAL DAILIES

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ABSTRACT

Financial Newspaper is a product which is required by all the stakeholders who deals in the financial market. The study has been done to understand the consumer buying behaviour on financial dailies. A detail analysis has been done in every respect. There was comparison done on the basis of the time of reading the newspaper by the readers and various features the readers wanted in a particular paper. Researcher found out many loopholes and has come up with suggestions for the companies to improve their market share and how to maintain the customers and create new one. Various other suggestions are given as in how to improve the competitive strategy or maintaining the market share in the industry due to new entrants in the industry.

KEYWORDS: Newspaper, Investors, Consumer Behaviour, Consumer Purchasing Pattern, Buying Behaviour.

INTRODUCTION

Customers buying behaviour has been always of great interest to marketers. The knowledge of consumer behavior helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on. A consumer's buying behavior is influenced by cultural, social, personal and psychological factors. Most of these factors are uncontrollable and beyond the hands of marketers but they have to be considered while trying to understand the complex behavior of the consumers. Consumer Behavior is the study "of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires" (Solomon 1995). A company needs to be in constant touch with its customer as we know that customer is the king of any business and it's necessary to know the behavior of the consumers so that a company can frame the strategies accordingly.

A new paper is the daily requirement of individuals. Delay in the distribution can cause many problems to the readership figures. It is a product which loses its value as day goes on. It is a product without which a day cannot be started for this specific crowd. Most of the financial daily newspapers are published from Monday to Friday. Due to increase in competition in various business industries, it is necessary to provide the customer with best service or product as and when necessary. It covers most of the sector and industry news in 10 to 12 pages. It also covers few pages of very important news and tips regarding stock markets which are very much helpful to the investors and stock brokers. The explanation of these factors is given below.

Cultural Factors

Culture Consumer behavior is deeply influenced by cultural factors basically; culture is the part of every society and is the important cause of person wants and behavior.

Social Factors

Social factors also impact the buying behavior of consumers. The important social factors are: reference groups, family, role and status.

Personal Factors

Some of the important personal factors that influence the buying behavior are: lifestyle, economic situation, occupation, age, personality and self-concept.

Personality

Personality changes from person to person, time to time and place to place. Therefore it can greatly influence the buying behavior of customers.

Psychological Factors

There are four important psychological factors affecting the consumer buying behavior. These are: perception, motivation, learning, beliefs and attitudes.

REVIEW OF LITERATURE

Booth and Shepherd (1988) argued that cultural and economical factors, consumer's personality, attitudes, values and emotions, affect consumers' decision making process regarding food selection. Many years later, Steenkamp (1996) identified that biological, psychological and socio-demographical consumer's characteristics, marketing of the product, economic and cultural environment affect consumers' purchasing decisions. Kotler (1994) identified those consumers buying behaviour is influenced by cultural, social, personal and psychological factors.

The study of “Anna KOUTROULOU, Lambros TSOURGIANNIS” examines the attitudes of the consumers towards local products in the Prefecture of Xanthi (that is an elected regional division in Greece) as within this region many local products are produced. The author wanted to examine the consumers’ attitudes in this region as the recent years the Greece passes throughout an economic crisis, and it is important to explore what are the impact of this crisis to the local economy and production of an elected region as the prefecture of Xanthi.

Jackson, T. (2005) ‘Motivating sustainable consumption: a review of evidence on consumer behaviour and behavioural change’. Several more recent reviews of behaviour change and behavioural models exist but Prof. Tim Jackson’s 2005 review of consumer behaviour remains perhaps the most comprehensive and accessible, and the foundation on which the majority of more recent reviews have largely been based. The report sets out in an accessible way the main drivers of behaviour and theoretical models that attempt to explain it, and does so with consistent critiques of rational choice.

Cialdini, R. B. and Goldstein, N. J. (2004) Social influence: compliance and conformity. *Annual Review of Psychology*, 55, 591 – 621. The article summarizes recent research (1997 – 2002) and considers the ways in which three goals – accuracy; affiliation and maintenance of a positive self-concept – drive individuals to comply with requests and conform. Findings related to marketing are largely implicit but the articles serve as a valuable summary of many of the principles that underlie advertising and consumer-focused persuasion.

Amir, O. et al. ‘Psychology, Behavioural Economics, and Public Policy’. *Marketing Letters*. 16 (3/4), 443 – 454’ this paper sets out a number of ways in which learning from behavioural science can inform policy. It considers three examples from existing policy, before discussing some of the challenges that face policy informed by psychology. Finally, the paper advocates attempting to change policy through the utilization of emerging findings from behavioural economics and highlights the importance of trialing policies through local level pilots.

RESEARCH DESIGN

RESEARCH OBJECTIVES

- 1) To identify the current market situation of Financial Dailies.
- 2) To understand the customers reasons of buying financial daily newspaper.
- 3) To study awareness of consumer about various financial daily newspaper.

RESEARCH METHODOLOGY, TOOLS & TECHNIQUE:

The data was collected with the help of structured questionnaire. A sample of 50 readers of financial daily newspaper from Delhi is selected from different occupation and designation. Proper care has been taken in asking the questions, in wording them and in maintaining the sequence of the question.

The study of “An Empirical Investigation of Attributes, which Motivates a customer to buy a product: A Case

study of Financial Dailies” has adopted the following methodology: The information required was collected from two sources:-

- a) Primary Sources
- b) Secondary Sources

Primary Sources- Close ended questionnaire

The sampling plan for the primary source is as follows:

Sampling frame or unit

Readers of financial daily newspaper.

Sample size: - 50 readers of financial daily newspaper from Delhi.

Sampling Procedure

A random sampling procedure was followed. The data was collected from survey findings. The questions were close-ended and the respondents have to choose one of the options given to them.

Sources of Secondary Data

- a)Reference by books,
- b). By Internet
- c) By Journals.

The study is an empirical study based on the survey method and the data is collected with the help of questionnaire. The study is Descriptive research where the data is collected by non-random sampling method.

DATA ANALYSIS & INTERPRETATION

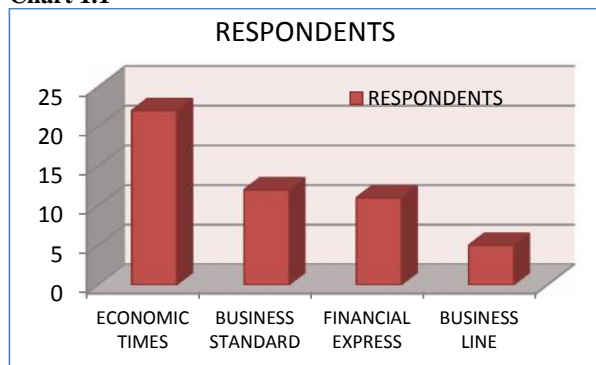
1. Which newspaper do you read?

Purpose: The main purpose behind asking this question is to know readership of different financial newspaper.

Table1.1

| PARTICULARS | RESPONDENTS |
|-------------------|-------------|
| Economic Times | 22 |
| Business Standard | 12 |
| Financial Express | 11 |
| Business Line | 05 |
| Total | 50 |

Chart 1.1



Interpretation:

From the above graph we can clearly see that as per as responses regarding reading of different news paper is concern economic times is highest in readership with 22 respondents this can be because of loyalty and brand name of times group and after that there is business standard in terms of readership is concern which followed by financial express and business line. So in this way economic time is highest in terms of readership is concern among financial dailies are concern.

2. How long have you been reading this newspaper?

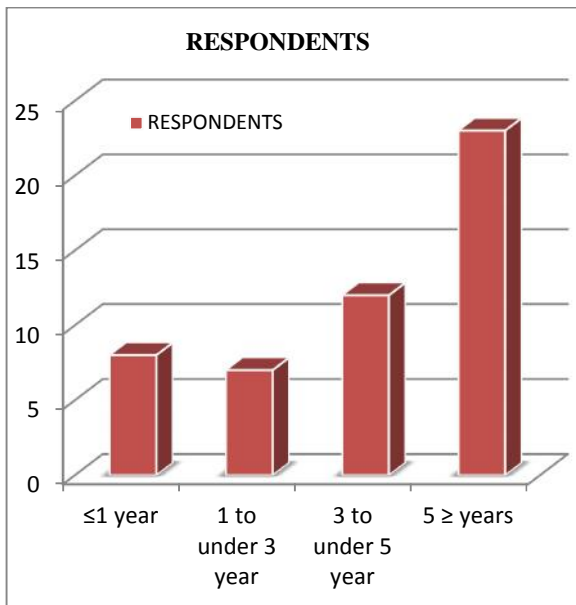
Purpose:

This question is asked to know about the time period in terms of years spend in reading of financial news papers.

Table 1.2

| PARTICULARS | RESPONDENTS |
|-------------------|-------------|
| 1 year | 08 |
| 1 to under 3 year | 07 |
| 3 to under 5 year | 12 |
| 5 years | 23 |
| Total | 50 |

CHART 1.2:



Interpretation

From the above chart we can come to know that maximum numbers of people are reading the financial daily for more than 5 years. So we can conclude that maximum numbers of readers are loyal to their newspaper.

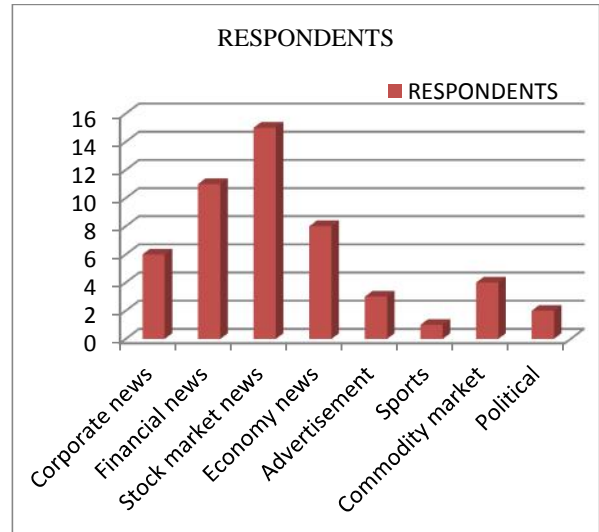
3. Which are the news that you look for when you read financial daily?

Purpose: To know what type of information do people look into while reading a newspaper.

Table 1.3

| PARTICULARS | RESPONDENTS |
|-------------------|-------------|
| Corporate news | 06 |
| Financial news | 11 |
| Stock market news | 15 |
| Economy news | 8 |
| Advertisement | 3 |
| Sports | 1 |
| Commodity market | 4 |
| Political | 2 |
| Total | 50 |

Chart 1.3



Interpretation

From the above chart we can come to know that maximum numbers of people are looking for stock information followed by financial news, economy news and accordingly.

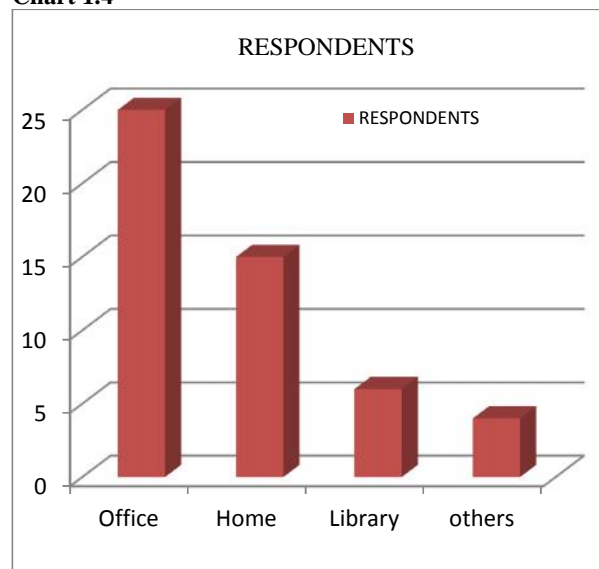
4. Where do you read the financial newspaper?

Purpose: The purpose behind this question is to know the place where a reader read financial news paper so that we can be able to target market according to this.

Table 1.4

| PARTICULARS | RESPONDENTS |
|-------------|-------------|
| Office | 25 |
| Home | 15 |
| Library | 06 |
| others | 04 |
| Total | 50 |

Chart 1.4



Interpretation

Maximum numbers of people are reading the newspaper in office and then followed by home, other and library.

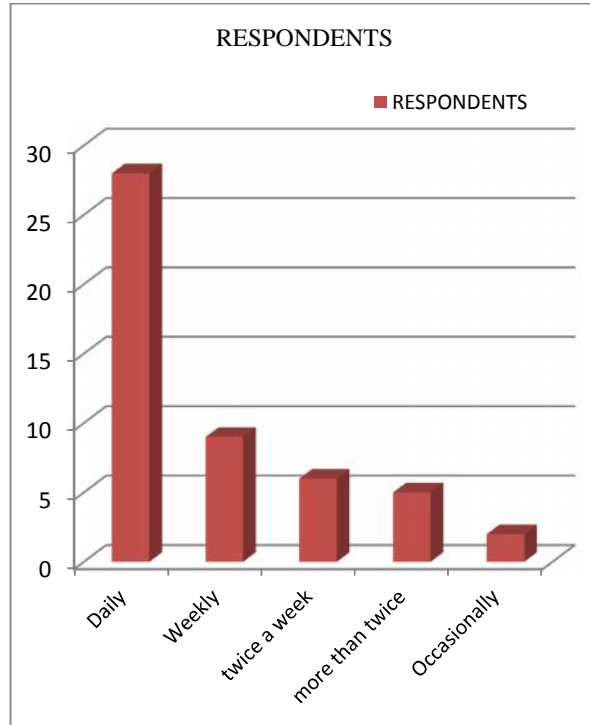
5. When do you read financial daily?

Purpose: The main purpose of this question is to know about how frequently reader reads financial news paper

Table 1.5:

| PARTICULARS | RESPONDENTS |
|-----------------|-------------|
| Daily | 28 |
| Weekly | 09 |
| twice a week | 06 |
| more than twice | 05 |
| Occasionally | 2 |
| Total | 50 |

Chart 1.5:



Interpretation

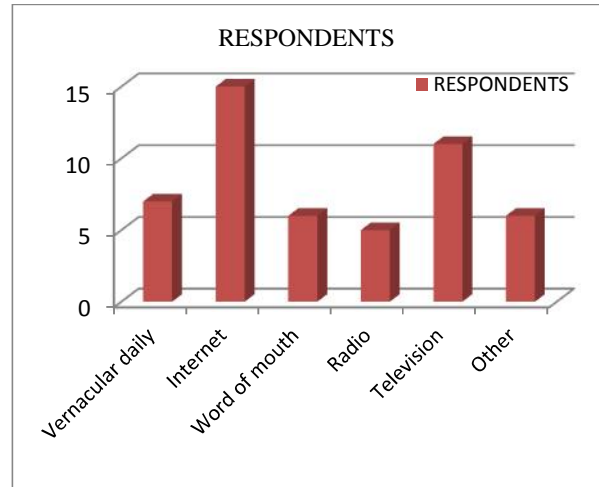
From the above graph it is clear that most of the respondents prefer to read financial news paper on daily basis. Around 28 of total respondents read on daily basis and all are on yearly subscription base. After that 09 read on weekly basis. There are some people who read occasionally also.

6. Other than newspaper, where do you get the business news from?

Table 1.6:

| PARTICULARS | RESPONDENTS |
|------------------|-------------|
| Vernacular daily | 07 |
| Internet | 15 |
| Word of mouth | 06 |
| Radio | 05 |
| Television | 11 |
| Other | 06 |
| Total | 50 |

Chart 1.6



Interpretation

From the above chart we can come to know that other than newspaper people get information maximum from internet followed by television, vernacular daily and accordingly.

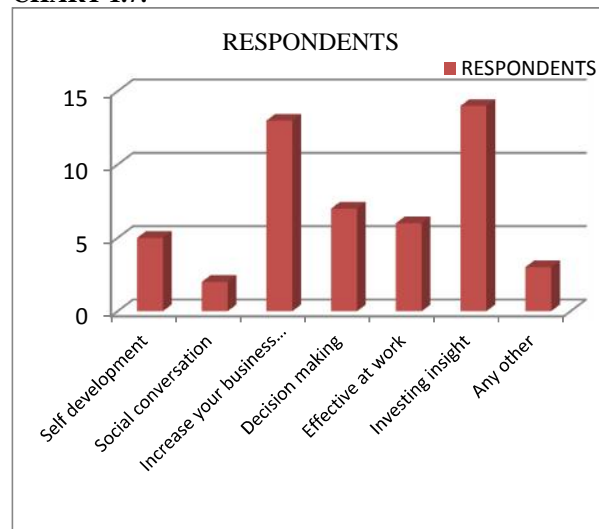
7. Reading of Financial Daily helps you in?

Purpose: Here the main motive behind this question is to know the benefits or knowledge reader gets from financial daily newspaper.

Table 1.7

| PARTICULARS | RESPONDENTS |
|----------------------------------|-------------|
| Self development | 05 |
| Social conversation | 02 |
| Increase your business knowledge | 13 |
| Decision making | 07 |
| Effective at work | 06 |
| Investing insight | 14 |
| Any other | 03 |
| Total | 50 |

CHART 1.7:



Interpretation

From the above chart we can come to know that readers get more information about increasing their business knowledge.

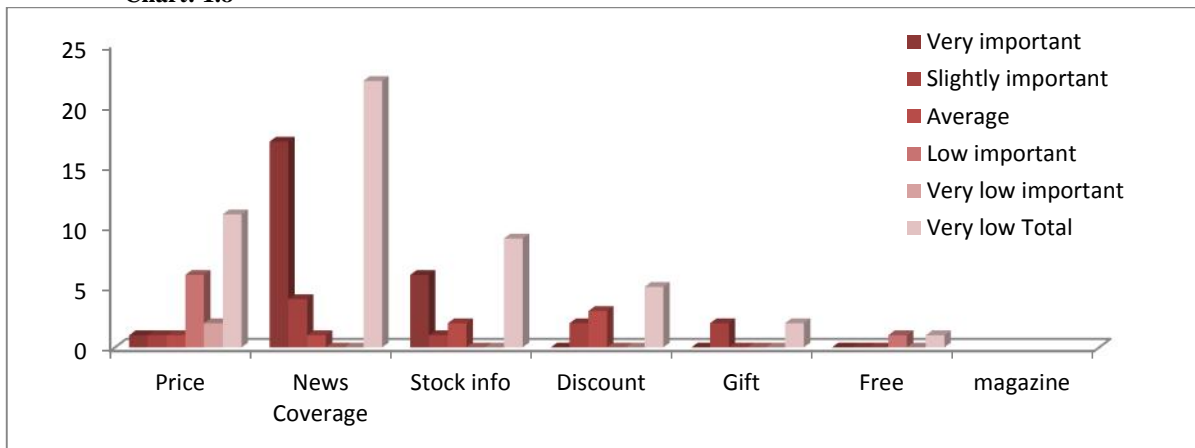
8. How much importance do you give to following factor at a time of purchase decision?

Purpose: This question gives us a data regarding various factors which are considered at a time of purchasing.

Table 1.8:

| Particulars | Very important | Slightly important | Average | Low important | Very low important | Total |
|---------------|----------------|--------------------|---------|---------------|--------------------|-------|
| Price | 1 | 1 | 1 | 06 | 02 | 11 |
| News Coverage | 17 | 4 | 1 | 0 | 0 | 22 |
| Stock info | 6 | 1 | 2 | 0 | 0 | 09 |
| Discount | 0 | 2 | 3 | 0 | 0 | 05 |
| Gift | 0 | 2 | 0 | 0 | 0 | 02 |
| Free magazine | 0 | 0 | 0 | 01 | 0 | 01 |
| Total | 24 | 10 | 07 | 07 | 02 | 50 |

Chart: 1.8



Interpretation

From the above chart we can come to know that people give more importance to news coverage.

Interpretation

From the above information of the chart we can say that maximum numbers of people reading financial newspaper are investors.

9. Are you an investor?

Purpose: Here the basic motive behind this question is to know whether the news reader is an investor or not, because most of the investors prefer this financial newspapers.

Table 1.9:

| Particular | Respondents |
|------------|-------------|
| Yes | 33 |
| No | 17 |
| Total | 50 |

10. If yes, than you gets any benefits in your investing decision after reading the financial daily?

Purpose: This question is mainly asked to know whether the readers are getting benefits by reading the newspaper or not.

Table 1.10:

| Particular | Respondents |
|------------|-------------|
| Yes | 38 |
| No | 12 |
| Total | 50 |

CHART: 1.9:

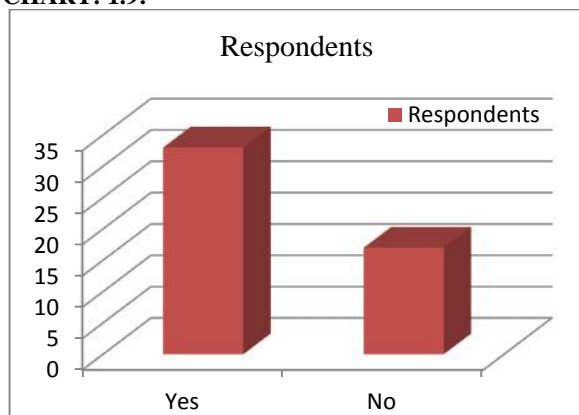
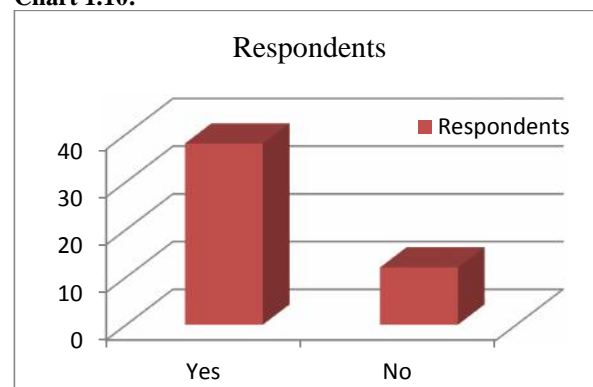


Chart 1.10:



Interpretation

From the above chart we can come to know that maximum number of people get lot of information for stocks and help them invest them wisely.

FINDINGS

1. We came to know about the preference of customers after doing the activity of market tapping.
2. People have different needs and wants, so one should be able to understand their needs and wants in order to sell the product.
3. Economic times are the first & Business standard is the second most preferred newspaper in the areas surveyed.
4. News covered by the newspaper i.e. the coverage plays an important role. Readers feel that the lack of news coverage may lead them to change the newspaper they read. Some of vernacular readers have switched to English daily only because of their need to improve their English but the percentage is negligible.
5. News channels and Internet media has affected the reading pattern of the readers up to a considerable extent.
6. The basic idea of reading a newspaper is to gain information and knowledge; hence the news coverage is a dominating factor in newspaper purchase as well as reading.
7. Due to increase in the usage of Internet, people prefer to do surfing on the net and thereby collect more information on the different aspects simultaneously.
8. Agriculture industry news is not provided.

RECOMMENDATIONS

From the study carried out and the analysis of the result obtain from the survey, the following suggestion and recommendation can help the firm to improve upon the product.

1. Add the news on IT and Information in much more detail.
2. Give scrip code BSE and NSE companies
3. Increase the font size of stock detail
4. Improve print quality
5. Come up with new creative advertisements
6. Build proper positioning in the minds of the readers
7. Increase the no. of supplement throughout the week
8. Service check calls at regular intervals
9. Publishing their Club and giving membership to regular customers
10. Improve circulation service

CONCLUSION

Changes promptly and quickly are the most successful. Due to technological developments, physical differences of products have decreased. Conditions of competition are changing rapidly today and companies that strategize and react to these products bear instead of on their physical features. A successful brand differentiation can be possible by building personality. This wider view attempts to study consumer behaviour in the light of rapidly evolving lifestyles, values, priorities, and social contexts. The distinctly practical emphasis awaited development of the

field of marketing in the business curriculum. Then, to the marketer the dynamic nature of consumer behaviour implies rapid product development, changing communications, and distribution strategies in order to be more effective. It is this (marketing) concept, as articulated by several marketing scholars (e.g., Alderson 1965; Bagozzi 1975; Kotler 1972; Kotler and Levy 1969) that captures many of the more essential characteristics of modern marketing which has tended to dominate thinking in the field. Those whose research motivation is consumer influence largely embrace the research paradigm of positivism in which rigorous empirical techniques are used to discover generalizable explanations and laws. The decision process then assumes secondary importance as compared with consumption. While some outcomes may be significant to marketing practice the overall goal of such research Endeavour is to achieve better understanding of consumer behaviour.

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