Comparison of Degree of Consumer Innovativeness between Students and Working Parents for Purchase of non-durable goods

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ABSTRACT

The purpose of this paper is to highlight the importance of one of the major aspects of consumer behaviour- the acceptance of new products & services and consumer innovativeness. This paper is aimed at identifying the degree of innovativeness found amongst the consumers. It is a comparative study between students and working parents with respect to the purchase of non-durable convenience goods. This product category is chosen for study because these kinds of products are the most frequently purchased and are used by the respondents of both the segments.

INTRODUCTION

The introduction of new products is vital to both the consumer and the marketer. For the consumer, new products represent an increased opportunity for better satisfaction of personal, social, and environmental needs. For the marketer, new products provide an important mechanism for keeping the firm competitive and profitable. The acceptance of new products and services is one of the major aspects of consumer behaviour. The framework for exploring consumer acceptance of new products is drawn from the area of research known as diffusion of innovations. Diffusion of innovations concentrates on two closely related processes: the diffusion process and the adoption process. Diffusion is concerned with the spread of new product from its sources to the consumers. Adoption is a process that focuses on the stages through which an individual consumer passes in making the decision to accept or reject a new product or service. In addition to this there is an important concept of consumer innovators regarding the acceptance of new products or services. Consumer innovators are those who are

the first to purchase a new product. The ability of marketers to identify and reach this important group of consumers plays a major role in the success or failure of new product innovations. Consumer innovators are a relatively small group of consumers who are the earliest purchasers of a new product or service. They are opinion leaders. They provide other consumers with information and advice about new product and those who receive such advice frequently follow it. When innovators are enthusiastic about a product and encourage others to try it, the product is likely to receive quicker and broader attention. When they are dissatisfied with new products and discourage others from trying it, its acceptance may be limited and the product may have a quicker death.

Consumer innovativeness and related personality traits

Personality is a diverse and dynamic concept, which have been approached by behavioural scientists in a variety of ways. According to Schiffman and Kanuk it can be defined as "those inner psychological

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characteristics that both determine and reflect how a person responds to his or her environment. The inner characteristics include those specific qualities, traits, attributes, and mannerisms that distinguish one individual from the other". All the personality traits are in one way or the other helpful for the marketer to study and predict consumer behaviour. Schiffman and Kanuk have recommended certain personality traits that have proved successful in differentiating between innovators and non-innovators:

Dogmatism- It is a personality trait that measures the degree of rigidity individuals display towards unfamiliar and towards information contrary to their own ideas. A person who is highly dogmatic approaches the unfamiliar defensively and with considerable discomfort and uncertainty. At the other hand a person who is low in dogmatism would readily consider unfamiliar or opposing beliefs. Consumers low in dogmatism are more likely to prefer innovative products. They are more open-minded. So low dogmatic customers are more receptive to message stressing factual differences and product benefits. On the other hand highly dogmatic customer is more accepting towards ads for new products or services that contain an authoritative appeal. So for them marketers use celebrities and experts in their new product advertising to make it easier for potentially reluctant people to accept the innovation.

Novelty seeking- Some people prefer to have a simple, uncluttered and calm existence, while others seem to prefer an environment crammed with novel, complex and unusual experiences. People having more novelty seeking have more willingness to take risk and try new products.

Risk perceived- It can be defined as the uncertainty that consumer faces when they cannot foresee the consequences of their purchase

decision. The degree of risk the consumers perceive and their tolerance for risk taking affects their purchase strategies. High-risk perceivers are often described as narrow categorizers as they limit their choices to a few safe alternatives. Low risk perceivers are described as broad categorizers as they tend to make their choices to a much wider range of alternatives. They are innovators.

Deal proneness- Consumer innovators are more likely to be deal-prone i.e. to take advantage of special promotional offers such as free samples. They are also likely to/be heavy users of the product category in which they innovate. They would purchase larger quantities of the product and consumer more than noninnovators.

Media habits- The media habits include a consumer's inclination to stay informative and full of knowledge. Exposure to magazines, newspapers and TV indicates that people having more media habits are more innovative to those who don't have a habit to read such magazines and watch TV, Media habits enable such people to give recommendations to their friends, relatives and family.

Opinion leadership- It is a process by which one person informally influences the actions or attitudes of others, who may be opinion seekers or merely opinion recipients. Opinion leaders are persuasive and are remarkably effective in influencing others. They provide both favourable as well as non-favourable information to the opinion seeker. So opinion leaders tend to be consumer innovators. They are likely to try a new product as soon as it is launched in the market and on the basis of its first hand knowledge they tend to speak with some authority.

Brand loyalty- It is the consistent preference or purchase of the same brand in a specific product or service category. Loyal customers have a strong commitment to a brand, service or a retail store and show strong resistance to counter persuasion attempts. They are not carried on by the new promotional attempts by the marketer like free samples, sweepstakes, POP displays, special price deals, coupons etc. On the other hand we find brand switchers who keep on shifting from one brand to other and never show patronage behaviour, are innovators.

Why research on this topic

Teenagers and college students are a big potential market for today's marketer. They are no doubt the future customers. They are still in the process of establishing their brand preferences and shopping habits. Moreover, Indian youth on an average till the age of 25 spends his parents' money usually termed as the pocket money. They also have a great media exposure and their mind is very much affected by commercials shown in newspapers and magazines and TV. They are more socially driven, active, outgoing. Due to their craving for a well-mannered life style and big social circle, most of them tend to be spent thrift and enjoy shopping those items that reflects their personality and makes them more confident. So they are more inclined to try almost every new purchase in the market.

This research is an honest attempt to study the differing opinions of two target customer groups, one being college students in the age group 20 to 25 years and the other one being working parents be it doctors, teachers, businessmen or engineers lying in the age group of 45 to 55 years.

The reasons for choosing these age groups was that in the age group of 20 to 25 years, the student consumers start to have an independent thinking and spending patterns. They have just reached the adulthood stage, so in this stage it is really important to study their purchase patterns. Those individuals below the age of 20 don't have so much independence to make their own purchase decisions. The next age group chosen is no doubt to study the change in the innovativeness when people step to such mature age of 45 to 55. It is an age in which a person is almost at the peak of its earning level. He has the complete set of resources to take logical decisions.

Research Methodology

The objective of the study is to compare the degree of consumer innovativeness found between the students (20 to 25 yearts) and working parents (45 to 55 years). It is exploratory research based on convenience sampling method. Sampling unit is educated consumers of urban area of aforesaid age groups. Survey is based on structured questionnaire covering 200 respondents (100 students and 100 parents) from Delhi, Hisar and Panipat.

Findings

Respondents were asked twenty-one questions related with the personality traits, which determine the degree of innovativeness of consumers. The findings of this study are summed up and explained with the help of Fig. 1.

Dogmatism- It is evident from the Fig. 1 that only 10 per cent of students are dogmatic whereas 86 per cent of parents are dogmatic. This clearly indicates that majority of students are innovators and parents are non-innovators.

Novelty seeking- It is clear from the study that 71 per cent of the students are novelty seeking and novelty seeking parents are only 37 per cent. So, students are innovators and parents are non-innovators.

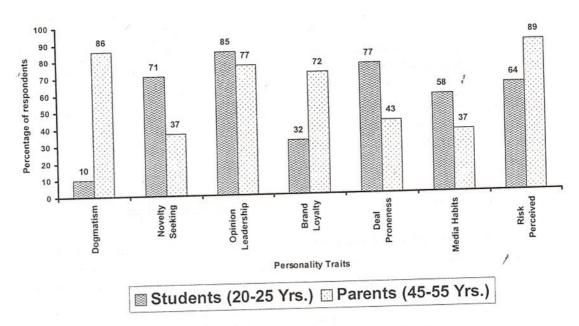


Fig. 1: Degree of innovation between students and parents

Opinion leadership-The study reveals that 85 per cent of the students and 77 per cent of the parents are opinion leaders. On this parameter both students and parents can be said to be innovators.

Brand loyalty- The findings of the study brings to light that only 32 per cent of students are brand loyal whereas 72 per cent of the parents are brand loyal. Students with low brand loyalty are innovators and parents with high brand loyalty are non-innovators.

Deal proneness- On the parameter of deal proneness it has been found that 77 per cent of students are deal prone and take advantage of special promotional schemes, whereas only 43 per cent of parents are deal prone. Here again, students are innovators.

Media habits- Figure 1 depicts that 58 per cent students have a inclination to stay informative and full of knowledge. Only 37 per cent of parents are inclined towards media. So, it may be concluded that students are more innovative as compared to parents.

Risk perceived- It is illustrated by the study that 64 per cent of the students perceive risk in trying new products as compared to 89 per cent of parents who perceive such risk. Although we cannot say that students are innovators on the basis of this parameter but they are more innovative as compared to parents.

CONCLUSION

It may be concluded from the study that students in the age group of 20-25 years, the majority of them are innovators and prefer trying and accepting new innovation in the market. Marketers should identify and reach this important group of consumers who plays a major role in the success and failure of new product innovations.

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