

Appraisal of Consumer Behaviour -A case study of “Café Coffee Day” with special reference to Karnataka State.

INTRODUCTION: Today's market is characterized by highly competitive organizations which are all vying for consumer's loyalty. Firms are faced with the challenge to maintain their own competitive edge to be able to survive and be successful. Strategies are carefully planned and executed to gain the ultimate goal of all: company growth. However, internal factors are not the only elements which influence growth. There are also external factors and components working within the organization which shape the direction of the organization. Among this is the consumer – the fuel of the organization. The dynamics of contemporary living define most of the aspects of human life today. The consumers eventually developed as a result of the radical emergence and amalgamation of innovative and manipulative processes in the global marketplace. Established characteristics in terms of their behavior and identity are important aspects to consider in studying the significant role they play in any economic endeavor. Furthermore, the subject of consumerism in given societies is becoming popular and a sought-after area of research. In connection, the presence of consumer policies and laws in the global market serve as controlling mechanisms to regulate the diversity of the international economic battlefield. This makes the buying experience even more multifaceted and interactive.

STATEMENT OF THE PROBLEM: The success of an organization will depend on a constant effort made by it to match the needs of the customers. India has always been predominantly a chai (Tea) drinking nation. However there has been a sudden change in this trend with coffee becoming more and more popular in recent times, especially among the younger population. The road side shops have been replaced by hip coffee cafes. Café Coffee Day was chosen because of their identical pattern of functioning and growth. This study is mainly conducted in order to know the buying behavior, the attitude of the consumers towards the quality, price, brand of the product in Café coffee day. The study is to predict and analyze Café coffee Days market in the forthcoming years. To investigate the Consumption patterns, decision procedures and also the competitors of the Café Coffee Day. To understand the principle behind the level of customers enjoying CCD products the survival technique of Café Coffee Day towards the competitors must be studied.

SCOPE OF THE STUDY: The main purpose of this study is to contribute to a better knowledge of consumer buying behavior towards purchasing the CCD products. The aim of the thesis is to find out the factors influencing the youth in purchasing those products. The purpose of this research is, in a way, to evaluate the strength and weakness of the of Café coffee Day. There are the only two major players in the national coffee café industry, and their customers consider both as interchangeable brands. This is why it is important to study how it attempt to improve brand loyalty amongst their customers. The reason for selecting the brand (Café Coffee Day) as the subject for research study was to understand how the various attributes present or absent with respect to a product affects the buying behavior of the consumers.

OBJECTIVE OF THE STUDY:

- To understanding the consumer behavior and perception which are affecting on marketing
- To analysis the customer attitude towards its products
- To discuss the customer satisfactory level
- To examine the cause and effect of its products
- To suggest remedial measures to improve the turnover and profitability of the organization

HYPOTHESES OF THE STUDY: The Study intends to satisfy the following hypothesis

H1 Attitude of the consumer is positively related

H2 The perception of the consumers are certainly influenced on increase in profitability of the company

H3 Buying Behaviour is influenced by young and youth only

H4 Consumer buying behavior has significant influenced on consumer satisfaction.

RESEARCH METHODOLOGY: The study depends both on primary and secondary data. The primary data is collected by administering a structured questionnaire to the respondents namely the customers of five districts of Karnataka. The researcher has drawn 500 as the sample size for this purpose. A convenient random sampling technique is adopted. The field study was carried out and data were collected through interviews and administering questionnaires. The researcher is also depending on the secondary data. The researcher made use of books, magazines, journals and newspapers of national and international repute and related web sites to collect secondary data. The areas of excellence and improvement will be identified based on factual information, in light of which recommendations and suggestions will be provided for the overall improvement of the organization in the future. Chi-Square and ANOVA techniques were applied whenever necessary to test the hypotheses and interpret the data elicited from the respondents.

LITERATURE REVIEW:

Philip Kotler (1965)² opined that “all the models so far developed by various scientists should be used in an integrated manner in order to understand the consumer in general. In his opinion, buying patterns are being influenced by price, quality, availability, service, style, option and image. Depending on the product involved, different variables and behavioural mechanisms assume different degrees of importance in influencing the purchase decision process”

Mahajan (1980)³: In his study on “inter-regional homogeneity of consumer behaviour in India revealed that consumer behaviour markedly differ between the rural and urban sectors. It further revealed that inter regional homogeneity in consumption seems to be realized at best in the case of North India and Central India”.

Howard and Sheth(1980)⁴ describes “consumer satisfaction as a related psychological state to appraise the reasonableness between what a consumer actually gets and gives. It is also observed that consumer satisfaction resulted from purchasing and using a certain product, which was made by a consumer to compare the expected reward and the actual cost of the purchase”.

Holbrook (1982)⁵ opined that “variety seeking or exploratory purchase behaviour is to be explained by experimental or hedonic motives rather than by utilitarian aspects of consumption. Preference towards new varieties has been identified as a determinant factor in brand switching”.

Peter and Nord (1982)⁶: said that the strategic emphases, of the behavioural modification theories, for example, are to devise a set of expanded behaviour modification techniques (e.g., respondent conditioning; operant conditioning; vicarious learning etc.) that can be used to influence, modify, and control consumer behaviour.

Coleman (1983)⁷ examined that Products act as social symbols and are therefore significant of one's social class. Social classes are composed of individuals who share similar values, interests, and behaviours. People within a given social class are approximately equal in terms of their social standing in the community. They work in roughly similar occupations, and they tend to have similar lifestyles by virtue of their income levels and common tastes. These people tend to socialize with one another and share many ideas and values regarding the way life should be lived

TESTING OF HYPOTHESES: The results of the hypotheses are as follows:

H1: Attitude of the consumer is positively related: Attitudes are a major basic construct leading to behaviour. Attitudes affect and influence the perception of products, brands, people, exposure to and comprehension of information, choice of friends and so on. As consumers also develops certain attitudes towards products, services, advertisements, other Medias of communication and choice of retail outlet. Attitudes are inner expression or feelings that reflect whether a person is favorably or unfavorably. It is observed that attitudes are not directly observable and hence have to be inferred as what people say or what they do. 36 percent of male and 31.6 percent of female respondents say attitude and belief on Café Coffee day products are best. 62.9 percent male and 66.2 percent of female respondents opined that products of Café coffee day is better. It is proved that almost majority of the respondents are positively satisfied with café coffee day products. Most of the respondents have given an above average ranking to the overall service and experience in the cafes. These values clearly indicate that the hypotheses are accepted.

H2: The perceptions of the consumers are positively influenced on increase in profitability of the company: An individual behaviour is often connected to his or her perceptions and may not be based on the actual or reality. Perception is a mental process, whereby an individual selects objects or products from the environment, organizes it and then draws significance or meaning from it. 93.4 percent of male and 96.1 percent of female respondents influenced in taste, 93 percent of male and 93.4 percent of female respondents expressed on Brand and 92.6 percent of male and 94.7 percent of female respondents are influenced on service. 68.4 percent of male and 64.5 percent of female respondents expressed that the products of café coffee day is better. In the best 13.2 percent of male and 13.6 percent of female supports. In satisfactory level 18.4 percent male and 21.9 percent of female falls. It can be proved that overall perception of the respondents is constructive. These standards point out that hypothesis is accepted.

H3: Buying Behaviour is influenced by young and youth only: Buyer Behaviour particularly is the study of decision making units as they can buy for themselves or others. Thus, buying behaviour particularly involves collective response of buyers for selecting, evaluating, and deciding and post purchase behaviour. The buying behavior and purchase decisions are need to be studied thoroughly in order to understand, predict and analyze critical market variations of a particular product or service. 43.7 percent of male and 32.9 percent of female respondents who came forward to participate in the survey are in the age range of 21 to 30 years. 48.9 percent of male and 32 percent of female respondents are students. This shows that students play a predominant role in cafes. 38.6 percent and 36.8 percent of female respondents are the employees seen more in cafes. CCD also mainly attracts teenagers and business people. It is proved that buying behaviour is influenced the young age and youth only. The hypothesis is accepted.

H4: Consumer buying behaviour has significant influenced on customer satisfaction: Measuring customer satisfaction over time is a difficult task. It is very difficult to satisfy the customers as there needs and wants vary and they differ from one to another. 21.7 percent of male and 26.3 percent of female respondents expressed that they are satisfied with café coffee day products. 19.5 percent of male and 15.4 percent of female respondents say that the quality of café coffee day is satisfied. This shows the respondents are satisfied in service and quality. It is proved that the respondents are not fully satisfied with the factor of buying the products of café coffee day. Some factors like price, quality quantity etc also very much matters for the customers to buy the products and get satisfied. These values clearly indicate that the hypothesis is not accepted.

SUGGESTIONS: The suggestions are in general to the community and specific for cafes.

- CCD mainly attracts teenagers, business meetings but it's aspire must be to attract everyone
- To increase awareness among consumers and to achieve best in business, CCD should sponsor Cricket matches or TV shows.
- CCD should open luxurious cafes at prominent places of high way to attract high end customers.
- CCD should concentrate on the important aspect location that to Right location in highway.
- CCD should try to establish itself as "Coffee House of India" by bringing more items according to Indian taste and try to enter rural India to generate best business in India.
- CCD Should focus more and more on quality and service.
- CCD should match the trend. "The growth of outlets will be across formats. Lounges are the latest and recent format introduced by the company, 20 CCD lounges across India; it has to be increased to compete with the other cafes.
- The café must be placed in every possible location where some business can be generated. The best way to increase business is to locate cafes in educational institutions and corporate campus.
- Customers are always into varieties and wide choice so café should make sure to satisfy them with varieties and best choice.
- Good hospitality and Consistent service at all outlets in cafes.
- Cafes should have more and more tie-ups.
- Café Coffee Day quality of service, ambience, pricing and location, to be very fine which proves that still Café Coffee Day need to do lot of homework in order to satisfy its customers.
- The cafes should reflect on the feed back form of the customers in order to bring lot of changes.
- Service by the employees is quite satisfactory but the order process delivery process, need to be altered.

Conclusion:

Conditions of competition are changing rapidly today and companies that strategize and react to these changes promptly and quickly are the most successful. Due to technological developments, physical differences of products have decreased. Differentiation should be made on the meanings products bear instead of on their physical features. A successful brand differentiation can be possible by building personality. Thanks to brand personality, consumer sees brand as friend since it provides him with emotional benefits. Overall, it is argued that the study of consumer behaviour is rapidly evolving as researchers recognize and implement new techniques and transdisciplinary perspectives to understand the nature of purchase and consumption behaviour. This wider view attempts to study consumer behaviour in the light of rapidly evolving lifestyles, values, priorities, and social contexts. Various theories on consumer research were not tested empirically until the middle twentieth century. The distinctly practical emphasis awaited development of the field of marketing in the business curriculum.

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