

Impact of Television Advertisements on Purchase Decision of Consumer Durable Goods

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ABSTRACT

In the scenario, most of the people relax by watching television and it has become one of the important sources of electronic media for getting primary information to the viewer. Advertising is a powerful medium of mass communication, particularly TV advertising. So, every organization uses TV channels like a weapon to introduce their products and services to the human minds. Therefore, through advertisement both electronic and print more audience can be reached and can have more impact on them, advertisements can be used to inform the new audiences, persuade them to buy the product and it can have huge influence on consumer decision making, advertisement can also be used as reminder to the existing customer about their connectivity to their products and have long lasting association with product or services and helps in brand building creating brand loyalty. The present study focuses on Identifying the Impact of television advertisements on purchase decisions of consumer durable goods.

Keywords: Advertisement, Impact of TV Advertisements, Consumer Purchase decision, Consumer durable goods,

1. INTRODUCTION

India is the second largest consumer market in the world. The Indian consumer profile has been developed and changed in terms of education, income, occupation, and reference group and media habits. There is a shift in consumer brand preference for durables products for the past decade with the influx of modern technology. The consumer buying preferences are rapidly changing and moving towards high-end technology products with acculturation. Products which were once considered luxury items have become a necessity because of the changing lifestyle and rising income levels. With growth in disposable incomes, the demand for high-end products such as television, washing machine, refrigerator, and air conditioners has increased considerably. It is also facilitated by the easy availability of finance and prevalence of nuclear families. Increasing in demand for consumer durable in the market the fall in prices as Indian consumers are continue to attach a high degree of importance to value for money. The consumer is brand-conscious, but not necessarily brand-loyal, and might even pick up a reliable private label if it offers good price and quality values.

Advertising plays a vital role in shaping dreams and helping customers in taking conscious product and brand decisions. Through advertisement the impact can reach a wider audience, and the main motive of advertising is to inform/ persuade / convince / remind the customers about the product/services. Advertising among competing brands has seen to be rapidly increasing and has made consumers more knowledgeable about several products and services in the market. Advertising has evolved from the local stage to an international level. Now corporations are looking outside their own country for new customers. Most of the adverts use appealing images and persuasive words to convince individual's perception about the product. New ideas and innovative ways attract customers to buy the product and remember the brands. Advertisements have a major role in influencing customers' purchase intention. Advertisement with endorsements creates easy remembrance for the customer's for the advertised product. The customer often tends to associate the brand with the celebrity and can easily register the brand in their mind.

CONCEPT OF ADVERTISEMENT

Advertising is the non-personal communication of the information usually paid for and persuasive in nature about products, services or ideas by identified sponsors through the various media. The advertiser intends to spread his ideas about the products and offerings among the prospects. Popularization of the products is thus, the basic aim of advertising. The majority of the marketers use mass media for their marketing communications. The choice of media is dependent upon the nature of the message and the intended target audience. Television advertising is the best-selling and economical media ever invented. It has a potential advertising impact unmatched by any other media. The advantage of television over the other media is that it is perceived as a combination of audio and video features; it provides products with instant validity and prominence and offers the greatest possibility for creativeness.

TELEVISION ADVERTISEMENT

Over a longer period of time, the TV set has become a permanent fixture in all upper and middle class households, and it is not uncommon even in the poorer society of urban areas and rural households. Reactions to TV advertisements seem to be stronger than the reaction to print advertisements. The advertisers find it more effective to use television rather than print media to reach consumers, partly due to low literacy rate. TV advertising not only change emotions but give substantial message exerting a far reaching influence on the daily lives of people. Television (TV) enables the creative man to communicate by combining motion, sounds, words, colour, personality and stage setting to express and demonstrate ideas to large and widely distributed audience. T.V. advertisements usually play a role in either introducing a product reinforcing the familiarity to the product and also convincing to purchase the product.

COMPONENTS OF GOOD TV ADVERTISEMENTS

There are many strategies for creating desire in the customer. An ad usually has about 10-30 seconds to accomplish the goal. The five features that all good advertisements have in common during this time period are:

- ❖ **ATTENTION GRABBING:** Features like music, a beautiful woman, repetition, loud sounds, visual humor appeal to the basic sensory perceptions and if done right, they work the best.
- ❖ **Trust Development:** An advertisement should establish the company offering the product, as deserving of trust. This can often be accomplished simply by making a well-produced advertisement with likable characters.
- ❖ **POSITIVE ASSOCIATIONS:** Little babies, cute animals, beautiful women, comedy, celebrities and nostalgia are often found in commercials, because they create positive feelings in people and are the easiest ways to establish positive associations with the products
- ❖ **THE DESIRE HOOK:** All good advertisements tell a story about the product and its utility to the consumer to create a desire for repeated purchasing.
- ❖ **ACTION MOTIVATOR:** Once the story has been told, the advertisement must now prioritize in turning the established “desire” into action. With many products, creating the desire is sufficient to motivate action and the product must be desirable enough to sell itself. But for other products, the customer will probably need a little prodding. Simply ending a commercial with a call to action will often suffice. Calls to action always require being verbal but also behavior. Humans often act on the basis of imitating others behavior. Therefore the viewer’s adds action of his/her role model.

IMPACT OF TV COMMERCIALS ON CONSUMERS

Advertising and sponsorship respectively influence the local target group in different ways. They also affect international brand in term of its impact on brand image and brand equity. Moreover, depending on a person’s age, consumers view brands differently, and thus have an effect on national and international brands. Together, these factors influence the way in which a brand is perceived, and consequently influence consumer preferences. The consumer in this era is in target of massive media attacks which are effectively planned, and enlightened with glamour and targets the emotions, needs, wants and demands of the consumers. Marketers and companies are spending billions of dollars on consumer research and to know the important factors involved in consumer decision making. While talking about the marketing mix now a days marketer’s main focus is on designing persuasive messages/commercials to attract the target customers. Because advertisements considerably influence the choice of household products among the majority of the populace. So marketers are focusing and trying to attract and influence the consumers by designing ads that are considerably attractive and persuasive enough for their emotional attachment with the product. TV advertisements are powerful because they penetrate every segment of modern-day society and effectively influence how consumers view themselves, their neighbors, communities and the world. It remains a fact that the TV is the single major and foremost communicator of our times. As the world has become a global village through our electronic media, access to all international channels is also easy. From the point of advertisers or producers, the impact of TV commercials on consumers is positive. „Entertainment“ is the major reason for TV viewing and a small proportion of the respondents view it for ‘information’

2. KEY ISSUES IN TV ADVERTISING

- **Puffery** Puffery is defined as an advertising, which praises the item to be sold with subjective opinions, superlatives, or exaggerations, with no statement on specific facts.
- **Taste and advertising** Taste differs from person to person and an advertisement may not satisfy every individual
- **Stereotyping in Advertising** Certain category of people from the society is shown in the same characters in advertisements especially the women.

- **Women in Advertising** Women in advertisements are portrayed solely in terms of beauty, house hold duties and motherhood.

CONSUMER PURCHASE DECISIONS

According to Philip Kotler consumer purchase decisions are influenced by cultural, social psychological and personal characteristics. Measuring the influence of advertisement in consumer brand preference is very important for every marketer. If the advertisement doesn't create any positive impact on consumers' brand preference, all the resources such as money, time and efforts spent on advertisement will go in vain. Most advertising agency try to understand the desires of their target market in their approach to advertising. Often, advertising agencies through their advertisements look for building long lasting relationship with people. As a result, they find out ways to turn one-time purchasers into lifelong customers.

CHARACTERISTICS OF BUYER BEHAVIOUR

- Buyer behaviour comprise mental and physical activates of a buyer when he wants to buy 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.
- 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

3. CONSUMER'S BUYER BEHAVIOUR IS INFLUENCED BY FOUR MAJOR FACTORS

- Cultural,
- Social
- Personal
- Psychological.

Consumer's buyer behaviour and the resulting purchase decision are strongly influenced by cultural, social, personal and psychological characteristics. An understanding of the influence of these factors is essential for marketers in order to develop suitable marketing mixes to appeal to the target customer.

CULTURAL FACTORS: include a consumer's culture, subculture and social class. These factors are often inherent in our values and decision processes.

SOCIAL FACTORS: include groups (reference groups, aspirational groups and member groups), family, roles and status. This explains the outside influences of others on our purchase decisions either directly or indirectly.

PERSONAL FACTORS: include such variables as age and lifecycle stage, occupation, economic circumstances, lifestyle (activities, interests, opinions and demographics), personality and self-concept. These may explain why our preferences often change as our 'situation' changes.

PSYCHOLOGICAL FACTORS: affecting our purchase decision include motivation (Maslow's hierarchy of needs), perception, learning, beliefs and attitudes.

CONSUMER DURABLE GOODS

Consumer durable goods refer to various devices used in a household kitchen to reduce manual human labour content and to remove the drudgery in working place and to make household activities speedy, tidy and enjoyable. There are, in the present day, a large number and a variety of such household appliances like Air conditioners, Refrigerator, Television, Washing machine and, Wet Grinder. To make life more enjoyable and entertaining, people also own audio and video players, home theatres and music systems. The researcher selected durable goods like Air conditioners, Refrigerators, Television, Washing machine and Wet grinder for the present study. The share of gold ornaments in durables expenditure was estimated at nearly 24% in rural India compared to about 20% in urban India. Refrigerator had a share of over 21% in urban India, compared to 9% in rural India. The share of motorized two-wheelers was about 12-14% in both sectors. Household Consumption of Various Goods and Services in India.

4. REVIEW OF LITERATURE

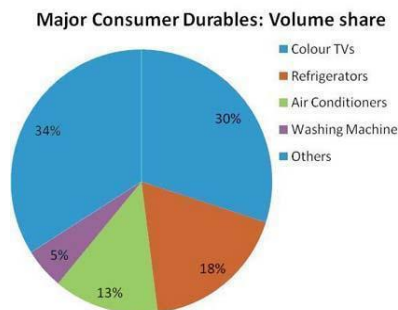
Mehta, Nitin, Xinlen Chen, and Om Narasimham (2008), "Informing, Transforming, and Persuading: Disentangling the Multiple Effects of Advertising on Brand Choice Decisions," A variety of mechanisms have been proposed in the marketing literature to study the effect of advertising on brand choice. Advertising informs consumers about product benefits, and can influence consumer brand evaluations and subsequent purchase decisions.

Lalitha Balakrishnan and Shalini Kumar.C. (2011) "Effect of Celebrity Based Advertisements on the Purchase Attitude of Consumers towards Durable Products-A study with reference to the city of Chennai", study revealed that the world of consumer durable products market is today changing fast. India is no exception. Especially after the opening up of the economy, the pace of change that India and its people are experiencing in their socio-cultural milieu is mind boggling. India, with its wide diversity, offers a fascinating scope to study the host of changes which developmental activities have brought about in its social and economic framework. Although these changes are difficult to measure at the micro level, nevertheless, they have been of great significance to marketers. Any marketer is keen in closely monitoring the changes in terms of numbers and specially keeping regular track of the changing pattern of consumers' aspirations and competitive actions.

Dr.K. Sreeranganadhan & Lekshmi Bhai P.S (2012) “The effect of advertisement on consumer behaviour and brand preference with special reference to selected consumer durables in Kerala” Advertisement on consumer behaviour and brand preference with special reference to selected consumer durables in Kerala. It also provides an overview of the responses of various consumers with respect to the effect of advertising on their purchasing behaviour in the consumer durables market of Kerala. Besides, the study reveals that most of the durable manufacturers using advertising as one of their marketing strategies. The survival and growth of consumer durables companies in a competitive environment is not viable without the advertising strategies.

Consumer Durables: Industry Size, Growth and Trends

Since FY07, volume share of the single largest consumer durable was colour TVs at 30%, followed by refrigerators and air conditioners at 18% and 13% respectively. Washing machines and other assorted consumer durables captured a share in the total volume by 5% and 34% respectively.



Source: <http://info.shine.com/Industry-Information/Consumer-Durables/902.aspx>

THE KEY GROWTH DRIVERS FOR THE INDIAN CONSUMER DURABLES INDUSTRY

- **RISE IN DISPOSABLE INCOME:** The demand for consumer electronics has been rising with the increase in disposable income coupled with more and more consumers falling under the double income families. The growing Indian middle class is an attraction for companies who are out there to woo them.
- **AVAILABILITY OF NEWER VARIANTS OF A PRODUCT:** Consumers are spoilt for choice when it comes to choosing products. Newer variants of a product will help a company in getting the attention of consumers who look for innovation in product
- **PRODUCT PRICING:** The consumer durables industry is highly price sensitive, making price the determining factor in increasing volumes, at least for lower range consumers. For middle and upper range consumers, it is the brand name, technology and product features that are important.
- **AVAILABILITY OF FINANCING SCHEMES:** Availability of credit and the structure of the loan determine the affordability of the product. Sale of a particular product is determined by the cost of credit as much as the flexibility of the scheme.

- **RISE IN THE SHARE OF ORGANIZED RETAIL:** Rise in organized retail will set the growth pace of the Indian consumer durables industry. According to a working paper released by the Indian Council for Research on International Economic Relations (ICRIER), organised retail which constituted a mere four percent of the retail sector in FY07 is likely to grow at 45-50% per annum and quadruple its share in the total retail pie 16% by 2011- 2012. The share will grow with bigger players entering the market.
- **INNOVATIVE ADVERTISING AND BRAND PROMOTION:** Sales promotion measures such as discounts, free gifts and exchange offers help a company in distinguishing itself from others.
- **FESTIVE SEASON SALES:** Demand for colour TVs usually pick up during the festive seasons. As a result most companies come out with offers during this period to cash in on the festive mood. This period will continue to be the growth driver for consumer durable companies.

5. CONCLUSION

Television advertisements play a major role in the buying patterns of consumer durables. The opinion of the impact of Television advertisements have an effect on purchase of new brands, they influence consumers to buy and television advertisements have an effect on reinforcing familiarity of the product but they do not play a major role in convincing consumers to purchase the product. The advertising should be genuine, correct and serve the informational needs of the consumers.. It will be easy for any company to change the buying behaviour of consumer by creating awareness and building strong perception in the mind of their customers. The market for consumer durables is becoming more competitive nowadays. 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. 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.

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