

## **A STUDY ON CONSUMER CONFUSION AMONG URBAN, SEMI-URBAN AND RURAL CONSUMERS WITH SPECIAL REFERENCE TO LAPTOP MARKET - A POST-PURCHASE RECALL SURVEY**

**T. Devasenathipathi<sup>1</sup> and S.Saravanan<sup>2</sup>**

<sup>1</sup>Associate Professor and HOD, Department of Management Studies, PPG Institute of Technology, Coimbatore, India

Email: vijayangudevasena@gmail.com

<sup>2</sup>Assistant Professor, Justice K S Hegde Institute of Management, Nitte, India

Email: saravanansnr@gmail.com

### **ABSTRACT**

*The purpose of this article is to bring interesting findings about consumer confusion with respect to area of living. A sample of 716 laptop holders was selected by random sampling for data collection. ANOVA test is used to analyze the data. A list of different confusions to be addressed is given in the findings.*

**Keywords:** Consumer Confusion, Usage Competency, Laptop Brand Profile, Area of Living, Demographic Profile

### **INTRODUCTION**

The purpose of this research is to study the behavior of consumers who purchase laptops in Coimbatore. The foundation of this study was the consumer confusion research work of Mitchell and Papavassiliou, 1997 and previous researchers. However, this research adapted consumer confusion related survey by considering the Indian consumers' purchase related issues and their perception about high involvement products to investigate the consumer confusion among different types of consumers residing in urban, semi-urban and rural parts of Coimbatore. A systematic random sample was selected to collect valid data from 716 respondents. As a result of ANOVA test comparing rural and semi urban consumers, it was found that semi urban consumers experience high overchoice and overload confusion while rural consumers experience less similarity confusion. Urban consumers experience high technical confusion compared to semi urban and rural consumers.

### **Consumer Confusion and Sources**

The ever increasing decision –relevant information have led the consumers in confused purchase. Too much choices cause inability to distinguish the various products and services

and fail to identify the 'right' choice product for the consumers' exact needs. The above-mentioned circumstances sometimes push them as frustrated and sub-optimal decisions makers. This can be more heightened in high-involvement products such as laptops and desktops where the consumers devote more time, expect more support and effort to gather and process information. It should be noted that the probability of resulting dimensions of purchase confusion will be at varying levels.

When we analyze the laptop market in India, there is a plethora of offers. So many multiple price bands, offers, seasonal offers, discounts, price off or price slice and various other complex pricing systems practiced by distributors and dealers tend to be very complex and often are sources of buyer confusion. Furthermore, these price promotion techniques, half pricing /heavily discounted products tend to cause disbelief about their original values, resulting in a pre-purchase dissonance.

Further, usually consumer decision making process is influenced by internal and external sources. However, if they feel internal source of information is insufficient to purchase, external sources like various types of advertising and media messages are used to take easy decisions. Nowadays, advertisements might cause consumers trouble by overloading or providing too many and too complex messages. These types of situations decline the effort of advertising message. Due to dwindling recall rates, there is a clear failure to provide satisfactory answer to the consumer's needs and wants. Similarly, in the course of interactions with sales personnel or store executives, sales catalyst may cause perplexity by ambiguous information and languorous advices.

In high involvement products like desktops and laptops, technological complexity of products are also likely to increase shopper bewilderment because of high rate of technological change which requires customers to be constantly updated with new developments and technical jargons.

## **Research Context**

How do customers living in different areas choose which product, brand or service to purchase? This is an undying issue that marketers continue to consider. One of the research questions being asked is whether the consumer confusion and buying behavior differ where new technology products are concerned. High technological and high involvement product markets are sorted as multifaceted and they exist under rapidly changing technological conditions that lead the consumers, knowingly or unknowingly caught up in purchase confusion. The consumer confusion and the buying behavior of those customers living in different areas is an important research field. Very little research has been executed in individualistic countries and there lies a significant research gap in Indian context. The following review of literature and study results bring interesting insights into the level of consumers' confusion and consumer's area of living.

## **REVIEW OF LITERATURE**

Occurrence of consumer confusion was reported in different individualistic countries and developed countries like UK- (Balabanis and Cravens, 1997; Mitchell and Papavassiliou,

1997; Drummond, 2004; Turnbull et al., 2000; Foxmen et al., 1990; Rafiq and Collins, 1996), Kim, Jun Kyo, (2006) and Loken et al., (1986) researched the consumer confusion in United States of America. In European Communities (Germany – Kuhl and Schulz, 2007; Walsh and Mitchell, 2005; Thomas Rudolph, 2004; Manuela Sachse et al., 2010; Kasper et al., 2010 in Dutch country whereas in Italy - Simona Romani, 2006; Azzurra Annunziata and Riccardo Vecchiob, 2010 conducted their consumer confusion related research.

In other individualistic countries: Rafael Lucian and Salomão Alencar de Farias, (2009)-Brazil, Adeolu B. Ayanwale et al., (2005) –Nigeria, Mansour Samadi and Ali Yaghoob-Nejadi, (2009)- Tehrani, Alet C Erasmus et al., (2005)-Africa; Evangelos Christou,(2009)-different Mediterranean countries; Chrysochoidis, (2000)- Greece; Australia -Hoang et al.,(2003) in Australia. Kurt Matzler et al., (2005) in Austria and Kurt Matzler, Martin Waiguny (2005) in Innsbruck conducted their consumer confusion related research but very few research on consumer confusion has taken place in collective countries and developing countries such as Asian Countries (e g- Leek and Chansawatkit, 2006 and Kawee Boonlertvanich, 2009 in Thailand, leek and Kun,( 2006) in China and in India Sengupta and Noopur Agrawal ,(2009) and Chimun Kumar Nath, 2009 conducted their research. But so far, most of the investigation has taken place in urban and main cities of these above mentioned countries while no investigation and research on significance between areas of living (Rural and Semi urban) and types of consumer confusion as per the researcher knowledge has taken place.

## **OBJECTIVES AND METHODOLOGY**

Based on the above reviews of literature, the following research objectives and hypothesis were framed. The objectives of the study were to determine the general aspect of confusion in the Indian laptop market. In particular, the study was to understand the purchase related confusions perceived by urban, semi-urban and rural consumes during laptop purchase. Systematic random sampling was adopted and 716 questionnaires were received and used for analysis.

H1: The consumers who perceive overchoice confusion while purchase of laptop is independent of their area of living.

H2: The consumers who perceive overload confusion while purchase of laptop is independent of their area of living.

H3: The consumers who perceive similarity confusion while purchase of laptop is independent of their area of living.

H4: The consumers who perceive unclarity confusion while purchase of laptop is independent of their area of living.

H5: The consumers who perceive technical confusion while purchase of laptop is independent of their area of living.

**FINDINGS OF THE STUDY****Demographic Details**

The greater part of response and survey participants are males. Majority of the respondents belong to younger and elderly age groups. Greater part of the respondents lives in urban part of Coimbatore. The study also revealed that majority of the respondents has a higher level of education- graduation and post-graduation. In the case of occupation, there is unequal proportion occupant respondent in this survey which accounts for 45.4 % students, 29.3% private companies and 20.8% business or professional people. Government employees are very least in the survey. Majority of respondents' monthly income ranges from 20001 to 30000 and only very meager respondent's income were above 50001. Further, it is divulged that more than fifty percent of the respondents rated their laptop usage skill as moderate.

**Laptop Brand Profile**

This section deals with the laptop brands used by the respondents during the current study. The topmost laptop brands used by the respondents during time of research survey are Dell, HP, Acer ,Sony whereas Lenovo, HCL ,Compaq and other brands were purchased by very few. The majority of the customers purchased their current laptop from Computers and laptop distributors, followed by twenty seven percent of the respondents who purchased laptops from Company owned showrooms. It is stated from the survey results that majority of the respondents purchased laptop three months before the current research had commenced. Almost thirty five percent of the subjects used their laptops four to six hours a day and only very few laptop holders used their laptops less than two hours a day.

**Area of Living and Types of Consumer Confusion**

Consumer decision making is complex and involves a number of constructs. Pre and Post Purchase confusion may vary depending on the types of consumers, their social status, knowledge etc, It is also important to note that, consumer's different area of living plays an important role in creating purchase confusion as well as their feelings vary accordingly. Purchase related confusion is state of mindset of a consumer due to influence of ever increasing impact of purchase related internal and external factors. Even though purchase related confusion has been discussed much in individualistic countries, till now not much attention is paid in countries like India. In this study, researchers attempted to know the level of consumer or purchase related confusion perceived by the urban, semi-urban and rural consumers. In order to understand the association between consumer's area of living and types of consumer confusion, ANOVA test was attempted. The results of the test were mentioned in the forthcoming pages.

Descriptives					
		N	Mean	Std. Deviation	Std. Error
Over Choice	Semi urban	214	23.874	2.709	0.185
	Urban	441	21.363	3.334	0.159
	Rural	61	22.213	2.114	0.271
	Total	716	22.186	3.267	0.122

Information Overload	Semi urban	214	18.902	3.972	0.272
	Urban	441	17.934	1.979	0.094
	Rural	61	17.721	3.397	0.435
	Total	716	18.205	2.879	0.108
Technical confusion	Semi urban	214	23.706	3.679	0.251
	Urban	441	26.286	2.765	0.132
	Rural	61	24.459	3.762	0.482
	Total	716	25.359	3.368	0.126
Similarity confusion	Semi urban	214	41.794	3.633	0.248
	Urban	441	41.571	4.026	0.192
	Rural	61	38.607	3.938	0.504
	Total	716	41.385	3.992	0.149
Unclarity Confusion	Semi urban	214	87.734	7.444	0.509
	Urban	441	89.295	8.336	0.397
	Rural	61	87.967	6.408	0.82
	Total	716	88.715	7.954	0.297

ANOVA		Sum of Squares	df	Mean Square	F	Sig.
Over Choice	Between Groups	908.522	2.000	454.261	48.185	0.000
	Within Groups	6721.773	713.000	9.427		
	Total	7630.295	715.000			
Information Overload	Between Groups	150.525	2.000	75.263	9.290	0.000
	Within Groups	5776.295	713.000	8.101		
	Total	5926.820	715.000			
Similarity confusion	Between Groups	522.098	2.000	261.049	17.118	0.000
	Within Groups	10873.511	713.000	15.250		
	Total	11395.609	715.000			
Unclarity Confusion	Between Groups	388.447	2.000	194.223	2.188	0.066
	Within Groups	44841.430	713.000	62.891		
	Total	45229.877	715.000			
Technical confusion	Between Groups	1013.152	2.000	506.576	50.903	0.000
	Within Groups	7095.601	713.000	9.952		
	Total	8108.753	715.000			

### Multiple Comparisons - POST HOC TEST

Dependent Variable	(I) Area	(J) Area	Mean Difference (I-J)	Std. Error	Sig.
Over Choice	Semi urban	Urban	2.511	0.256	0
		Rural	1.661	0.446	0.001
	Urban	Semi urban	2.511	0.256	0
		Rural	0.85	0.419	0.129
	Rural	Semi urban	1.661	0.446	0.001
		Urban	0.85	0.419	0.129
Information Overload	Semi urban	Urban	0.968	0.237	0
		Rural	1.181	0.413	0.017
	Urban	Semi urban	0.968	0.237	0
		Rural	0.213	0.389	0.861
	Rural	Semi urban	1.181	0.413	0.017
		Urban	0.213	0.389	0.861
Technical confusion	Semi urban	Urban	2.58	0.263	0
		Rural	0.753	0.458	0.259
	Urban	Semi urban	2.58	0.263	0
		Rural	1.827	0.431	0
	Rural	Semi urban	0.753	0.458	0.259
		Urban	1.827	0.431	0
Similarity confusion	Semi urban	Urban	0.223	0.325	0.791
		Rural	3.188	0.567	0
	Urban	Semi urban	0.223	0.325	0.791
		Rural	2.965	0.533	0
	Rural	Semi urban	3.188	0.567	0
		Urban	2.965	0.533	0

Unclarity Confusion	Semi urban	Urban	1.561	0.661	0.062
		Rural	0.234	1.151	0.98
	Urban	Semi urban	1.561	0.661	0.062
		Rural	1.328	1.083	0.472
	Rural	Semi urban	0.234	1.151	0.98
		Urban	1.328	1.083	0.472

**Note:** \*-The mean difference is significant at the .05 level.

The F value 48.185 for the mean difference in the over choice confusion and consumer's area of living is significant ( $p < 0.000$ ). It emphasizes that there is a significant difference in overchoice confusion and the area where the consumers live.

The post hoc test reveals that Semi urban consumers have experienced high over choice confusion when compared to their rural and urban consumers. It reveals that urban and rural consumers experience the same level of over choice confusion. Hence, the hypothesis H1 is accepted.

The F value 9.290 for the mean difference in the information overload confusion and consumer's area of living is significant ( $p < 0.000$ ). It emphasizes that there is a significant difference in information overload confusion and the area where the consumers live.

The post hoc test reveals that semi urban consumers have high information overload confusion when compared to rural and urban consumers. It reveals that urban and rural consumers experience the same level of information overload confusion. Hence, the hypothesis H2 is accepted.

The F value 17.118 for the mean difference in the similarity confusion and consumer's area of living is no significant ( $p < 0.000$ ). It highlights that there is a significant difference in similarity confusion and the area where the consumers live.

The post hoc test further reveals that the rural consumers have less similarity confusion when compared to semi urban and urban consumers. It reveals that urban and semi urban consumers experience same level of similarity confusion. Hence, the hypothesis H3 is accepted.

The F value 3.088 for the mean difference in the unclarity confusion and consumer's area of living is not significant. It highlights that there is no significant difference in unclarity confusion and the area where the consumers live.

The F value 50.903 for the mean difference in the technical confusion and consumer's area of living is significant ( $p < 0.000$ ). It highlights that there is a significant difference in technical confusion and the area where the consumers live.

The post hoc test further reveals that the urban consumers experience high technical confusion when compared to semi urban and rural consumers. Hence, the hypothesis H5 is accepted.

### MAJOR FINDINGS

When comparing rural, semi urban consumers, Semi urban consumers experience high overchoice and overload confusion while rural consumers experience less similarity confusion. Urban consumers experience high technical confusion when compared to semi urban and rural consumers.

### CONCLUSION

Initially consumer confusion dimension was addressed in individualistic countries and developed countries, later on 2006 it was measured in collectivistic countries like China, Thailand and India. Nevertheless these studies addressed many of the urban consumers and metropolitans' views on consumer confusion. Hence an attempt is made in this research to know the association between consumers' area of living and types of consumer's confusion. The results of the research indicate that semi urban consumers experience high overchoice, overload confusion while urban consumers only experience high technical confusion.

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