CHAPTER-II

REVIEW OF LITERATURE AND THEORETICAL BACKGROUND

Chapter Design

This chapter has covered 51 different reviews with references. This chapter has focused on meaning, definition, characteristics, factors affecting and other theoretical concepts related to Builders and Consumer behaviour with references.

2.1: REVIEW OF LITERATURE:

2.1.1: Introduction:

A review of literature is an essential part of any research study. It familiarizes the research with the previous work related to the field of interest, different methods and procedures which can be used. It also strengthens the need for further study or research. Though a large number of books and articles are available on consumer buying behavior, only a few of them are related to Real estate/home purchase and majority of the books and articles deal with consumer buying behavior of different other products.

In the present chapter an attempt has been made to compile relevant information from various books, articles, journals and papers etc. on customer behaviour and real estate. The marketing strategy used by builders for managing customers’ behaviour have been explained through customer behavior concepts and the modernization and implementing of innovative technology for constructing and selling flat to the customer. Various studies and researches related to consumer buying behaviour and home purchase in the real estate sector are referred and presented.

In this chapter international research and an overview of Indian scenario has also been explained through various research studies.

2.1.2: Review:

Review of Literature

Books  Ph.D. Thesis  M.Phil. Dissertation  Articles  Website
1. Jay D. Lindquist and M. Joseph Sirgy (2009), in his book entitled “Consumer Behaviour”, explored the concept of Consumer behavior and attitude in the present era. In this book author has focused on the relationship between attitude and behavior is influenced by the consumer at four levels. First, the consumers’ access to resources—whether he or she has money to buy—is a determining factor, regardless of how positive attitudes toward a brand are. Second, the consumer’s past experience with a brand are important. Attitudes formed through personal experience are stronger and more predictive of future buying behavior than are those formed through advertising. Third, consumer orientation influences purchase. Some consumers are action oriented, others are state-oriented. Action-oriented consumers are those who are always ready to act. State oriented consumers, although they may feel motivated to act, are not likely to do so quickly. A state-oriented consumer who expresses a liking for a brand and says he or she intends to buy is less likely to follow through than is an action-oriented consumer, who does so without much hesitation. It is understood that this book has focused on Consumer behavior and it’s various application of consumer behavior but present study focused on Customer behavior of flat purchaser and strategy used by Builders for managing Customers behavior is selected city, this is gap for research work.¹

2. Leon G. Schiffman, Leslie Lazar Kanuk and S. Ramesh Kumar (2011), in their book “Consumer Behaviour”, authors took overview of consumer behavior and highlighted its various purchase decision. It has also explained the concept of international consumer behavior. Consumer behavior was a relatively new field of study in the mid-to late-1960s. Because it had little history and lacked much of a body of research of its own, marketing theorist borrowed heavily from concepts developed in other scientific disciplines, such as psychology (the study of the individual), sociology (the study of groups), social psychology (the study of how an individual operates in groups), anthropology (the influence of society on the individual), and economics to form the basis of this new marketing discipline. Many early theories concerning consumer behavior were based on economic theory, on the notion that individuals act rationally to maximize their benefits (satisfactions) in the purchase of goods and services. Later research revealed that consumers are just as likely to purchase impulsively and to be influenced not only by family and friends, by advertisers and role models, but also by mood, situation, and emotion. All of these
factors combine to form a comprehensive body of thinking and research about consumer behavior that reflects both the cognitive and emotional aspects of consumer decision making. Therefore, from the review of this book it is understood that, authors have very effectively exposed concept of Consumer behavior but could not touch Customer behavior of flat purchaser in the sample city, which is the gap for present research.2

3. Del I Hawkins, Roger J. Best, Kenneth A Coney and Amit Mookerjee (2007), in their book entitled “Consumer Behavior”, the authors have explained the concept of consumer behavior and marketing regulation. Besides this, the authors have highlighted different concept of consumer behavior, external influences, internal influences, consumer decision process and organization as consumers. Marketing stimuli have meaning only as individuals interpret them. Individuals are not passive interpreters of marketing and other messages but actively assign meaning based on their needs, desires, expectations, and experiences. Thus, consumers’ interpretations of negatively publicity depend on their prior commitment to the brand involved. Likewise, consumers interpret movie critics’ reviews in the light of their knowledge about the critic and his or her biases and preferences. The fairness of a price increase is interpreted on the basis of the consumer’s inferred motive for the increase. Information about competing brands is often inaccurately interpreted to favour a preferred brand. A number of individual characteristics influence interpretation. Two particularly important personal variables are learning and expectations. However, it is noted that, researcher has selected topic entitled “Customer Behavior of Flat Purchaser in Pimpri-Chinchwad city”, which has not covered, so this is the gap for research.3

4. Suja R. Nair (2011), in his book entitled “Consumer Behaviour” has explored the concept of consumer behavior and consumer protection in India in the present era. In this book author has focused on the consumer behaviour with explanation of basic concepts. It is understood that author has focused on concept of consumerism, Consumerism is an organised movement of citizens and the government to enhance the right and power of buyers in relation to sellers. It is also noted that, author has focused on consumerism in India. In the words of late Peter F. Drucker, the Father of Management Science, “Consumerism is the shame of the total marketing concept”. Every organization should take marketing decisions keeping in mind the company’s
requirements, the consumers long term interests and lastly the society’s growth in the long-run. As stated by Peter Drucker, “Consumerism actually should be, must be and I hope will be the opportunity of marketing. This is what we in marketing have been waiting for.” In India, as a developing economy, it is felt that the plight of the consumers are not different from that of their counterparts in the rest of the world. Inspite of the fact that not all of the Indian consumers are well educated and hence, unable to comprehend and understand the complex methods of marketing, they are also exploited and very often become victims of false claims for products, misled by deceptive advertisements and packaging, poor after sales service and so on. Because of the above felt abuses, it is observed and seen that there is a growing consumer awareness leading to the growth of consumerism and an increasing demand for consumer protection in India. It is found that author has focused on consumer protection in India but present study researcher has focused on Customers’ behaviour of flat purchaser and various factors that influence on taking purchase decision of flat in the sample city, this is gap of research. 4

5. C. N. Sontakki (2010), in his book entitled “Consumer Behaviour”, has covered consumer perception and consumer behaviour. The author has focused on consumer perception, though different individuals are exposed to the same stimuli under same conditions, each individual identifies the stimuli, selects them, organizes them and interprets them in an unique way. How unique will be the interpretation rests on his needs, wants, values, beliefs, personal experiences, moods and expectations among other things. Perception is the way a person sees the world around him. Perception is a personal phenomenon on the basis of which an individual acts or reacts. Perception is being influenced by the attributes of stimuli like size, colour, intensity and the context in which it is seen or heard or both. Like beauty, perception is one that lies in the eyes of the beholder.

Perception is that process which involves seeing, receiving, selecting organizing, interpreting and giving meaning to the things that surround us. In other words, perception is the process of selecting, organizing and interpreting in order to attract to the events that are happening in the environment that surrounds us. The essence of perception is mental process. Perception is fundamentally a cognitive or thinking process. As perception is an intellective process it is purely subjective in nature. It is understood that, author in his book has explained in detail the concept of Consumer
perception and Consumer behaviour but also could not explained Customers’
behaviour of flat purchaser in selected city, which is the gap for research.5

Ogun State, Nigeria’, the researcher has stated that the overall aim of this study is to
evaluate the public housing in Ogun State, with a view to examining the extent to
which different housing delivery strategies have provided adequate and satisfactory
housing and influenced the quality of life of residents of public housing in this State.

Researcher has concluded that this study has demonstrated that appropriate
housing delivery strategy supported by adequate organizational capacity will provide
tangible result in the provision of access to adequate and satisfactory housing. Each of
the four housing delivery strategies adopted in public housing in Ogun State has
different characteristic outcomes which all offer a certain degree of potential merits in
housing provision for different socio-economic groups. However, the Core housing
strategy appears to be the most effective strategy for housing provision for majority of
citizens who are low-income earners in the study area. It is obvious from this study
that security of life and property, protection against noise, dampness, fire and harmful
insect and animals as well as provision and maintenance of housing services and
neighbourhood facilities require critical attention in order to improve on the adequacy
and satisfaction levels in public housing in Ogun State.

In conclusion, this study which is based on programme theory evaluation
approach attempted at providing tangible evidence in support of the underlying
assumption and beliefs in public housing in Ogun State. It has shown that the
adoption of different housing delivery strategies by different government agencies in
housing provision can result in the provision of adequate housing for different
categories of people, which will in turn lead to improved quality of life among
residents of public housing. However, it is noted that, this study has focused on
public housing in Ogun state but has not considered individual behaviour of flat
purchaser. Thus, this is a gap in this Ph.D. thesis which is covered by researcher in
the present study.6

Behaviour affecting the choice of Financial Services and Commercial Banks in a
Market Driven economy (with special reference to Srilanka”. has stated that the
managing a customer oriented financial services company therefore requires an
understanding of the customers and their choice behavior. The banking sector has respond to this new scenario in terms of expanded services with new technologies etc. yet the sector has to focus on the customer’s and their psyche, develop an insight into learning how the customers choose and evaluate financial services as there is considerable complexity in their decision process.

The researcher has focused of the study was mainly on the behaviour of individual customers only. Organizational customers were excluded from the study since they differ in many ways from the individual customers. Still, the research was confined to study the choice behavior of financial service customer’s geographic and economic features; social class, attitudes and perception only. The other factors which influence the consumer behavior such as culture, personality, personal and family influence etc. were out of the scope. Further, since the study was based on the data obtained from a metropolitain area in the Colombo District of Srilanka, generalizing capacity of the findings is limited. Further research is needed to study the cultural family, personal influences and the individual determinants such as the personality and motivation in predicting and explaining service consumer behavior. Further, it is needed to explore morefully the decision making process associated with the purchase of financial services.

The researcher has finally concluded that, the perceived importance of the product related criteria varies with the customer’s education only. Price related criteria (interest rates receivables on savings and other deposits) varies with the customer’s gender, income, social class and customer category. The customers attitudes toward the state and private sector banks very among the LCS, of the customers. The perception of the services quality of the respective banks varies with the customers characteristics. The customer satisfaction with the banks services is independent of other characteristics such as gender, income, social class membership and customer’s category. However, it is stated that research work has contribution to analyze behaviour of financial services and commercial banks, but also researcher ignore Customers’ behaviour of flat purchaser, this is a gap of research.  

8. By Vera Li (2011), in his Ph.D. thesis, ‘A Methodology to Assess the Competitiveness of Real Estate Developers in China’, the researcher has concluded that real estate, or property development, is considered one of the pillar industries of the Chinese economy. As a result of the opening up of the economy as well as the
“macro control” policy of the Central Chinese Government to moderate the frenetic pace of growth of the economy, the real estate industry has faced fierce competition and ongoing change. Real estate firms in China must improve their competitiveness in order to maintain market share or even survive in this fiercely competitive environment.

The purposes of this research are to provide a comprehensive competition evaluation system for Chinese real estate developers which will enable them to assess their competitive strengths and weaknesses and formulate a suitable competition enhancement strategy. The general conclusions are a) competition evaluation method for real estate developers- this study developed comprehensive indicators competitiveness evaluation method tailored to the Chinese real estate industry. b) Competition attributes for the Real Estate industry- based on an extensive literature review, seven important features that influence competitiveness in the real estate industry were indentified. These include: management competency, organizing competency, technology capability, financial competency, market share, social responsibility and regional competitiveness. However this study has focused on factors affecting the competitiveness of real estate developers but could not focused on factors affecting purchase decision of flat purchaser, this is a gap in the existing research work.8

9. Melanie Thomas (2013), in his Ph.D. thesis, “Identify: its purpose and function within Consumer Residential Property Purchase Decisions” the researcher has stated that the research aim; to investigate the relationship between functional and self-congruity within the context of consumer residential property purchase decisions; has been effectively addressed. Self-congruity has a relationship with intention to act. Specifically it was found that:

- SC has a direct and indirect relationship with ITA during residential property decision-making
- SC has a direct and indirect relationship with ITA during the evaluation of alternatives
- ASC has a relationship with self-congruity during residential property decision-making
- ASC has a relationship with self-congruity during the evaluation of alternatives
- ISC has a relationship with self-congruity during residential property decision making
• ISC has a relationship with self-congruity during the evaluation of alternatives
• ASSC has a relationship with self-congruity during residential property decision-making
• ASSC has a relationship with self-congruity during the evaluation of alternatives
• ISSC has a relationship with self-congruity during residential property decision-making
• ISSC has a relationship with self-congruity during the evaluation of alternatives
• ISC has a stronger relationship with SC than ASC during residential property decision-making
• ISSC has a stronger relationship with SC than ASSC during residential property decision-making
• ISC and ISSC have equally the strongest relationships with SC during residential property decision-making

Thus, it is understood that this study has focused on relationship between functional and self-congruity within the context of consumer residential property purchase decisions, but it is noted that the researcher has ignored various factors influenced on purchase decision of flat in selected city, it is a gap of research to be covered in the present research.  

10. Hamid Karamian (2007), in his Ph. D. thesis, “A study of Buying motives and their effects on Consumer Behaviour in the Cellular Market of selected International Companies.”, the researcher has focused on identifying the product features (logical and emotional), includes the study of mobile handset features, buying motives and buying behavior of postgraduate and research students of Pune university campus. This study also highlights the difference between logical and emotional motives influencing the purchase decision. The researcher has found out that, the most important emotional-related features as per the Consumers’ point of view are configuration and elegance. The most important logical-related features as per the consumer points of view are suitable battery, phonebook, SMS and reminder. The purchase decision of men and women are more affected by logical-related rather than emotional-related features. The highest percentage of positive attitudes of consumers towards handset features is related to configuration feature 97%. The purchasing decisions of more than 80% of respondents are influenced by quality motive. The purchasing decisions of 70% to 80% of respondents are influenced by need and
conformity motives, security motives, health and safety motives, time and efforts saved motives, and convenience and comfort motives.

The researcher has suggested that, it is ascertained that consumers while taking decision are more affected by logical buying motives rather than buying motives. Therefore, the R and D committees in companies should pay much attention to this characteristics of consumers. The features portfolio should be a combination of logical and emotional features for maximizing consumer’s satisfaction. One of the most powerful motivators for purchasing decision in the handset market is quality motive. Therefore, the handset producer companies should focus on this motive. Social status is one of the most important needs of consumers in the handset market. Therefore, the companies should pay much attention to this need. Configuration and elegance are the two important features of handsets, which are related to social status of consumers and highly demanded by them. However, it is stated that research work has contribution to analyze the buying motives towards cellular market, but also researcher ignore Customers’ behaviour of flat purchaser in selected city, this is a gap of present research.10

11. Dattajirao Yashvantrao Patil, in his Ph.D. Thesis, “An Analytical study of the norms of Buying Behaviour pattern with special reference to consumer products in India.” has found out that the various sections of people in Bombay logically constitute “mini India” and as such traditions, cultures and diverse habits that influence the attitudes of consumers have been adequately represented in the sample. Various factors such as education, income tax, employment, age group, sex and behavioural trait, have been taken into consideration so as to make the research complete in regard to the first objective of the study.

The researcher has finally suggested that, a market analyst who is concerned more in analyzing the present trends for future guidance has necessarily to base his studies on the changing attitudes of the customers and the resultant behaviours change witnessed in the market. Market planners, manufacturers as well as advertising agencies can derive much benefit if they care a little to go through the statistical applications in the various sub hypothesis. Indications in regard to buying behavior can very well be proved to be excellent suggestive factors in creative advertising. The study of the attitudes of the customers in regard to durable would also be helpful to the government in restructuring the tax system or for marketing modifications.
suitably. **However, it is found that this study has focused on behaviour of consumer products but this study could not focus on behaviour of flat purchaser in the selected city, this research gap is underlined for present research.**¹¹

12. Sharma, Kiran (2012), in his Ph.D. thesis, *‘Impact of Affective and Cognitive processes on impulse buying of consumers’*, the researcher has concluded that the purpose of the study was to assess whether there is a significant impact of the affective and cognitive components on impulse buying among consumers. Additionally, the study also brings out the various factors affecting purchase decisions and some general purchase behavior. An attempt was also made to find the frequency of purchase for various products by consumers. The theoretical framework for consumer behavior proposed that impulse buying consisted of the affective and the cognitive components which have been used to measure impulse buying among consumers. The affective and the cognitive dimensions are envisaged to be strong predictors of impulse buying among consumers. The present study suggests that consumers sometimes feel their inability to resist from purchases, suffer from guilt feelings or regret after making impulse purchases. They have also been found to engage in impulse buying in order to prolong their pleasurable mood as they feel it acts as stress booster for them. However, irresistible urge to buy has been found to have the greatest impact than the other dimensions like mood management, positive buying emotions and emotional conflict. Consumers have been found to think before going to make any purchases and also tend to make significant purchases without thinking about their future. The study suggests a complete lack of planning by consumers. However, the dimension of disregard for the future has the greatest impact than the other two dimensions of cognitive deliberation and unplanned buying. **However, it is understood that this study is significant to measure impulse buying among consumers, but it is noted that researcher has ignored the role of Customers’ behaviour of flat purchaser, this is a gap of present research study.**¹²

13. Sahar Karimi (2013), in his Ph.D. thesis, *‘A Purchase decision-making process model of online consumers and its influential factor a cross sector analysis’*, Researcher has suggested that this study holds important practical contributions. It offers suggestions to online retailers based on knowledge of their consumers in different ways. This research suggests that depending on the type of product and the characteristics of the industry, the Internet might be used as a purchase and/or service
channel. Some stages of the process might occur online while others are performed via traditional shops. The Internet is not a replacement channel but a complementary one. Hence, retailers need to understand their consumers’ needs during each stage of the process and the benefit from a multi-channel strategy. Moreover, by understanding different segments of consumers and variations in their behaviour, they can identify the needs of each particular group and facilitate their decision-making processes on their websites. It would help them in attracting consumers, increasing their Internet purchase conversion rate and gaining market share. In addition, the results hinted at a high rate of usage for comparison sites. Therefore, retailers should appear in the lists on these websites in order to be more visible to consumers.

Researcher has concluded that in this research, a new and comprehensive approach to the study of online consumer behaviour was introduced that explored this complex phenomenon from different angles. A broader picture was provided by understanding consumer macro-behaviour. It illustrated the degree, purpose and attributes of Internet usage in a market and across multiple retailers. The intensive analysis of individuals indicated the detailed behavioural patterns and the reason for their variations. It depicted the complexity of online purchase decision-making processes and provided evidence for their dependence on individual differences and market characteristics. Individual analysis proposed four segments of online consumers, based on the two individual characteristics of decision-making style and knowledge of the product. Combination of these two characteristics made it possible to describe behavioural variations, and has theoretical and practical implications. The attributes of behaviour assigned to each segment can be constant or depend on the market. Characteristics in terms of the way stages are performed are identical across selected sectors. However, behaviour in relation to intensity of decision-making cycles, duration of the process and the process outcome is a function of individual characteristics as well as the characteristics of the sector, depending on its importance and frequency of purchase. Specific measures are required to assist online purchase decision-making processes based on the needs of each segment of consumers. Several recommendations were suggested. Finally, the results suggested a multi-channel strategy for current retailers, now and in the near future, contradicting the early perception of the Internet as a replacement channel. However, from this thesis it is understood that, authors have focused on purchase decision of online consumers
but could not touch buying behaviour in real estate market, which is the gap for present research.\textsuperscript{13}

14. Rachel V. McClary (2006), in his Ph.D. thesis, ‘An Evaluation of Consumer Buying Criteria and Its Impact on the Purchase of Commoditized LAPTOPS’, the researcher has concluded that Specific information sources yield specific results with a specific set of consumers. Simply put, consumers seek out information in a variety of ways and a relationship exists with how the consumer does that and who the consumer is. Different consumers purchase different laptops for different reasons. Table 1 presents all of the statistically significant relationships found in this study between demographic variables of the consumer and the information sources they valued in contributing to their purchase decision. The level of technical competence of the consumer plays a key role in the determination of what sources are sought, as does gender and age to a certain degree. This knowledge enables to creation of a rudimentary profile to properly launch the appropriate message to the right audience. In being able to answer just a few of these research questions regarding the relationships between demographics and information sources and attributes, the efficiency of the marketing machine with these laptop vendors will increase. For example, understanding that the audience who seeks out information on Manufacturer or Retail websites is non-technical, the kind of detail that resides there can be developed for that audience - less technical, more educational and informative thereby alleviating some of the assumed anxiety of the novice.

Researcher has highlighted some recommendations for Laptop vendors that getting the right message to the right audience is the number one critical success factor in the development of any marketing strategy. Knowing how the audience internalizes messages and what kind of messages they need to be is invaluable. This study was able to reveal details on four of the six information sources specific to the appropriate demographic; some sources are more granular than others. Direct mail for instance, should be aimed at the technical audience while manufacturer websites should be for the non-technical, novice. Young females who are novices in relation to technical competence seek out recommendations from their friends as an information source. Because the study did not probe further on this question inconclusive evidence exists to make any recommendations on pursuit of this profile. However, results did show that magazine reviews are also geared toward the technical crowd. Leave the
“speeds and feeds” and technical track content to a minimum on the mass-produced and accessible websites while turning up that dial for any direct mail campaigns and magazine reviews of the product. However, this research has not covered any concept of builders managing Customers’ behaviour of flat purchaser which is the gap in this research; however present study has covered managing Customers’ behaviour of flat purchaser in selected city.14

15. Ms. Neeru Jain (2013), in her Ph. D. thesis, ‘Consumer Buying Behaviour with Regard to Branded and Traditional Jewellery’ (with special reference to Jaipur Jewellery Market), the researcher concludes that there is no significant difference between the consumer buying behaviour from branded jewellery store than the traditional family jewellers (Non-Branded). Consumers possess a strong and optimistic attitude towards branded jewellery. Consumer perceptions and brand specific attributes have a positive relation with consumer preference towards branded jewellery or traditional jewellery. Brand awareness towards various common brands available in Jaipur such as Tanishq, Nakshatra, Asmi, Sangini, Gili Daksh, and Aura, some brands i.e. Trandsmith Carbon, etc., Some decades ago, Consumer buying behaviour was mostly limited by budgetary constraints and when buying seemed to have a small impact on the daily life and one’s lifestyle. The consumers had a smaller level of influence on the availability of products and for the most part had to contend with what was on offer. The increased disposable income, access to information, and competition has empowered consumers to demand more and to have higher expectations. They would like to buy quite typical of jewellery. The overall purpose of this thesis is to gain deeper understanding of different factors which are significantly related to the Jewellery buying behaviour of Consumers in Jaipur and also to access the jewellers’ views on Branded and Traditional jewellery. The study also deals with the information, which can benefit Jewellery companies and traditional stores to understand consumers and their lifestyle to gain success in the jewellery market. As a whole the study concludes that there is no significant difference between the consumer buying behaviour from branded jewellery store than the traditional family jewellers (Non-Branded). Being the hub of jewellery, still Jaipur Market is getting recognition (growing day by day); this study will help to open new perspectives for Jaipur jewellery market and further it will be able to provide a guideline for future research work. However, it is seen that this study has focused on
consumer buying awareness towards jewellery market but ignored on real estate market, which is the gap in this research. It is noted that, the present research study has focused on customer behaviour of flat purchaser and customer awareness towards selecting flat etc. which gap has covered in this research.\textsuperscript{15}

16. V. P. Jagadale, in his Ph.D. thesis, “A study of Consumers Co-operative stores in Rural and Urban Areas of Sangli District”. The researcher has focus on consumers’ preference towards co-operative stores in rural and urban areas in the Sangli district. The researcher has focused various objectives of study were: a) To study the consumers co-operatives of Sangli District in detail, b) To study the progress of the consumers co-operative stores in rural and urban areas of the Sangli district, c) To study the organization and management particularly top level planning and policies of consumers co-operative stores in rural and urban areas of Sangli district, d) To study the business activities (operations) of consumers co-operative stores in rural and urban areas of Sangli district and e) To highlight the problems of consumers co-operative stores in rural and urban areas of Sangli district.

The researcher has highlighted the hypotheses were: i) Maximum consumers co-operative stores are suffering from top level planning and policies. There is perfect co-relation in between effective policy framing and performance of consumer co-operative stores, ii) Active participation of members and performance of the consumers co-operative are co-related and iii) Operations of the consumers’ co-operative stores are in districts resulting in various problems. The researcher has further suggest that co-operative stores should focus on maintain co-relation in between effective policy framing and performance of consumer co-operative stores. It must active participation of members for increasing business and maintains good performance. Thus the thesis focused on performance of consumer co-operative stores; hence this study helps to co-operative stores. \textit{However, it is noted that in his research ignored other functional aspect of builders’ point of view to construct building, which is gap of research.}\textsuperscript{16}

17. Indushri. N. (2011), in her M. Phil. thesis, “Buying Roles in Purchase Decision Making Process of Consumer Durable”, The researcher has stated that the family is a complex unit comprised of individuals with varied cognitive, emotional, and behavioural characteristics and abilities that can greatly affect family decision making. Decision-making describes the process by which families make choices,
judgments, and ultimately come to conclusions that guide behaviours. Family decision-making implies that more than one member's input and agreement is involved. The temperament and disposition of each child can greatly vary within the same family. Consequently, the relationship between parents and different siblings is dynamic and unique, with each individual responding to and modifying the behaviour of the other. Family decision-making processes are a two-way street with parent's influence on the communicative patterns of their children and vice versa.

Most of the respondents have insisted that the Male in a family is the Decider and purchaser. Role of women is so weak. They are mostly initiators for kitchen items and very rarely they play the role as deciders and purchaser. According to the survey working women are very less and that may be a reason for the male to play the role of purchaser and decider. Women need to be active in the decision-making circle of the society. Barriers to equality are rooted in long-standing attitudes and traditions. This patriarchal system keeps women their lower status. The women deprivation starts from birth because girl child is not particularly wanted child. Her life is a journey of subordination. When she is young her father decides for her on matters ranging from whether she will get any education, to all the important matters of whom she would marry. After marriage husband and her in-laws get hold of her reins and decide matters on her behalf like shall she or shall she not have a child every year. Women are mostly involved in unpaid work. The world of men and women are different in term of employment, health, education etc. They do a lot of work as look after children, bring water, work in domestic poultry and livestock but their work is not acknowledged. Women still lack the legal right to inherit property. One aspect that seems to stand at the fact that except for washing machines, in the remaining four consumer durables the initiator and influencer are same member of the family. Apparently the family member who takes the initiative for purchase of consumer durables feels strongly about it and influences the final decision and purchase. This is an interesting phenomenon as it shows the felt need and the need to persuade the other members of the family to follow upon the consumer durables for the family. However, this study focused on purchase decision process of consumer goods, but it is noted that the researcher ignore the buying role towards real estate and Customers’ behaviour of flat purchaser in selected city, it is gap of research.\textsuperscript{17}
18. **Pratap Pawar (2006)**, in his M. Phil. thesis, ‘A Comparative Study of Simcards with reference to Consumer Buying Behaviour in Kolhapur City.’ has concluded that mobile facility is not only for status and prestige but also it is a need of common people in day to day life. Therefore people having monthly income below Rs. 5000 are also using mobile facility for better and faster communication. Important findings on purchase behavior is that those who are permanent residence of Kolhapur city are preferring post paid mobile simcards, temporary accommodated customers like students, workers are using prepaid service as it controls their expenses on mobile. Citizens of Kolhapur are using mobiles for better and faster communication. Mobile companies are also collecting more revenue through this business. Hence they are providing all necessary infrastructures for better mobile service. Result of this is that all customers are satisfied on services provided by mobile companies. Researcher has suggested that dealers should be trained to solve customer’s problems and to make healthy relationships. Company should organize seminars, workshops, frequently to train dealers and sub dealer. It is suggested that more infrastructure developments are necessity in Kolhapur city to solve problems like call dropping, busy networking and Number of towers must be increased to solve problem like range (coverage).

_Herewith, it is understood that, researcher highlighted on comparative study of Simcards with reference to buying behaviour but could not focused on Customers’ behaviour of flat purchaser and how taking purchase decision of flat; which is the gap for research._

19. **Sakal** [Marathi Local Newspaper Pimpri-Chinchwad (Pune), dated on 13/08/2015], entitled newspaper as, ‘**Navya Bandkamacha Veg Mandavala’** has reported by Rajiv Jadhav, Municipal Commissioner, Pimpri-Chinchwad Municipal Corporation. In this article focused construction field every month revenue only Rs. 25 corer rupees. “All over world there is recession, due to recession will effect on all sectors including construction industry also. Now-a-days low demands from builder for sanction the projects but upcoming projects corporation will be sanctioned as early as possible. Now project application demand is low and Municipal Corporation will take the report.” says Rajiv Jadhav, Municipal Commissioner, Pimpri-Chinchwad Corporation.

In the Pimpri-Chinchwad city, new flats construction growth rate has decreased and new projects sanction application forms growth rate also has decreased so that it
is affected decrease revenue of the corporation. Corporation gets last three months revenue only Rs. 75 corer. In this year Rs. 350 corer target decided by the corporation for sanction the project but as compare to last year this year is not possible to achieve the target. The following figure shows revenue of the Municipal Corporation.

2.1. a: Income of Construction Department (Figure in Corer Rupees):

<table>
<thead>
<tr>
<th>Year</th>
<th>Objectives</th>
<th>Income</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012-13</td>
<td>165</td>
<td>228</td>
</tr>
<tr>
<td>2013-14</td>
<td>250</td>
<td>285</td>
</tr>
<tr>
<td>2014-15</td>
<td>353</td>
<td>275</td>
</tr>
<tr>
<td>2015-16 (April to June 2015)</td>
<td>355</td>
<td>75</td>
</tr>
</tbody>
</table>

(Source: Sakal News Paper Dated on 13th August, 2015)

Now-a-days a recession came in the market and this recession is affected on construction business so that few application comes for sanctioning project and Municipal corporation has doing easy project sanction process and today’s 1 BHK flat cost minimum goes to Rs. 23 lakh to 25 Lakh. It is seen that lower middle class people cannot purchase this type of flat but who have lot of money such people purchases one or two flat and they give flat on rent basis for generating the income. However, this news is highlighted on builders’ new application forms have reduced for upcoming projects but could not focus on builders strategy used for managing customers behaviour for increasing business in selected city which is the gap for research. 19

20. Sakal [Marathi Local newspaper Pune, dated on 09/10/2013], entitled ‘Gharasathi Milanar 90% loan’, The Reserve Bank of India has given the intimation to all banks that up to Rs. 30 lakh and below Rs. 30 lakh price of flat provide 90% loan to the home buyers. Reserve bank has reduced the repo rate and all banks have given support and they have reduced some interest rate. As per decision of Reserve Bank of India, it will benefit for lower middle and middle class people for taking home loan from the bank. Reserve bank has declared the circular. Recently getting 90% loan up to Rs. 20 Lakh and below Rs. 20 Lakh but as compare to flat
rates in the city area it was not possible to purchase flat and getting loan due to this reason home buyer had to arrange big contribution for purchasing flat. But afterwards according to new rule people will take more benefit and they have to arrange only 10% contribution and it will indirectly help to builders for increasing the business. It is understood that, bank provides 90% loan to the home buyers and its help to promote real estate business. *However, it is found that there is lack of managing Customers’ behaviour while constructing/selling flat in the sample city, which is the research gap.*

21. **Sakal** [Marathi Local news paper Pimpri-Chinchwad, Pune. Dated on 12/10/2015], entitled ‘**Padun Rahilelya Sadnikabaddal ata Praptikar Akarnar**’, has reported by Uuttam Kute, In the Pimpri-Chinchwad city construction business is facing many problems due to economic recession so that eight thousand flats are unsold from last year. Many corer investments have done in this unsold flat and builder is paying unsold property tax to the corporation. Now Income Tax Department is thinking 15 to 20% tax on unsold property due to this reason builder has shocked. In the construction business builder after completed projects, on few unsold flats corporation takes property tax on that basis income tax department will take ‘unsold property tax.’ Central government will sanction the application report after that this rule will be applicable at all over India. As per this rule will be control who have done investment and after some period they sold flat at high rate per square foot. It means that investor blocked the money in the real estate on ‘wait and watch scheme’. It is found that as per report Pimpri-Chinchwad Corporation, this ‘wait and watch scheme’ of unsold property has average percentage reached up to 30 to 40% due to this reason middle class people cannot purchase the flat but after implementing rule it will benefit for new home buyers. It is understood that due to charging tax on unsold property form the builder and its help to selling flat to the customer. *However, it is found that there is lack of selling strategy of flats from the Builder and strategy for managing Customers’ behaviour, which is the research gap.*

22. **Sakal** [Marathi local News Paper Pune, dated on 07 April 2015] entitled ‘**Griha Antargat 58 Projects**’, reported by Rajiv Jadhav, Municipal Commissioner, Pimpri-Chinchwad Corporation, ‘Eco-Friendly Building; and Commercial project’, this type of Project Corporation motivate to builder for doing business. Under ‘Griyha’ 58 projects have registered in the corporation and this project will construct area 22 lakh
square meter as per information of Rijiv Jadhav. ‘Maharashtra Urja Vikas Abhikaran’ and association with Pimpri-Chinchwad Corporation ‘Energy Conservation Building Code’ and ‘Eco-Friendly Building’ etc on this subject organized one day workshop in the Pimpri-Chinchwad. Shri. Rajiv Jadhav is giving information on this topic in the inauguration time. He said that now-a-days 8 to 9% increased ratio in the Maharashtra at real estate sector. Before staring the construction work solar energy and solar saving after implementing we can save 25% to 40% solar energy. Under ‘Solar Saving Act 2001’ according to 100 kg watt and more electric supply such type of builders’ project will be under 2001 act code and after implementing this rule we will saved big solar energy. According to this scheme Municipal Corporation is implementing ‘Griha’ and ‘Swagriha’ project in the Pimpri-Chinchwad. It will help to maintain good health of peoples under utilizing eco friendly construction and it is essential in the Pimpri-Chinchwad city. **However, this news highlighted on Eco-friendly building and commercial project in sample city but ignored Customers’ behaviour of flat purchaser and Builders strategy for selling flat, which is gap for research.**

23. **Sakal** [Marathi local news paper dated on 01/09/2013] entitled ‘Pimpri-Chinchwad Shaharachi Vatchal Metropolitian Citikade’, has reported by Govind Golave, First time Bhosari, Pimpri, Chinchwad and Akurdi was Gramapanchayat, in 1970 Nagarpalika after that surrounding villages included and according to census 2011 Pimpri-Chinchwad population was 17 lakh and now-a-days has reached 20 lakh population and government has included other 20 villages in the Pimpri-Chinchwad corporation. According to new villages 7000 hector land has increased for corporation so that Pimpri-Chinchwad is the fastest development city towards metro Politian city upcoming few years. In the future two cities like Chakan and Alandi will be included in the Pimpri-Chinchwad Corporation. It is seen that every ten years has increased 75% population, It means that now 20 Lakh population after ten years in 2023 will become 34 lakh and in 2033 will become 50 lakh to 55 lakh. According to that situation Pimpri-Chinchwad is the fastest development city in all over world, India and Maharashtra also. It is noted that in the new including 20 villages customer will get affordable flat or average income people can purchase flat as compare to heart of the city or developed area in the Pimpri-Chinchwad city. However, this news is highlighted on huge potential market for construction business in the Pimpri-
Chinchwad city but could not focused on strategy used by Builders for developing project while constructing flat which is the gap for research.  

24. Sakal Vastu [Marathi local news paper dated on 23/03/2013], entitled ‘Ata Ghare Milwa Online’ has reported by Rohan NamJoshi, Home is important in the life and also selecting home is critical job. ‘Ami Navin Gharachya Shodat Ahot’ after listening this sentence many people are ready to give advice about the home. Many subjects is discussed about home like development of city and surrounded area, which location will best for future, where is water problem, where is good road and connectivity and where is low price etc. these subjects are generally discussed while searching the flat. In this situation customer is confused where will purchase flat and how will search the flat but now-a-days in the internet world it is easy to search home on internet i.e. online.

a) Sarva Kai Aka Clickvar- In the city or in India we get immediate information through property website. Many websites are ready to give information about the flat. Customer can select flat as per his choice through website. Now-a-days it is not easy to search flat in the Pimpri-chinchwad (Pune) due to less time and energy for searching the flat but through internet it is easy to search the flat.

b) Phaydeshir Website- Pimpri-Chinchwad is the fastest development city due to attracted many people’s at city from villages day by day increasing flow for searching job and education purpose gives preference to Pune city. People get more information about 1, 2 and 3 BHK and all types of on property website.

c) Shodmohim Swapnatlya Gharachi- We get more option on property website i.e. your budget, surrounding area, type of flat, square foot area, essential amenities, which floor and different options etc. According to budget customer can gets information about builder and he also takes information through cell phone contact with sales employee of builders.

d) kalaji Ghya, Niwant Raha- We gets detail information on property website but people should at least one visit at the location or sales office and personally check and verify all information about the flat is correct or not.

It is understood that, use of online technology increased day-by-day and its help to promote real estate business. However, it is found that there is lack of awareness searching right property through website for purchasing flat and taking purchase decision of flat, which is the research gap.  

80
25. **Sakal Vastu** [Marathi local news paper dated on 08/03/2014], entitled ‘**Koni Ghar Deta Ka Ghar**’ has reported by Aniruddha Pavaskar, Karyakari Abiyanta, Pune Corporation, Every people should have own home is not only in India but all over world also. Now-a-days In India is increasing fast population and in India many cities are there and one of the Pimpri-Chinchwad (Pune) also. It is predominantly an industrial area, which has developed during the last four decades. Pimpri-Chinchwad (Pune) is considered as the biggest industrial center in Asia due to regular employment opportunities in industrial belts surrounding these areas. It is a big responsibility of Pimpri-Chinchwad city to provide proper infrastructure and to create new homes for peoples. Builder should construct affordable homes in the Pimpri-Chinchwad because people can purchase the flats. What is affordable home this question comes in the mind of customer. According to Australia country, affordable home is geographic location, size and types is satisfy for lower class and middle class people for purchasing flat and after that they fulfill home requirement without any disturbance, it’s called affordable homes. According to England country affordable home means that getting home on the basis of social rent and other ways home can available for peoples and market can not complete peoples need. According to America is generally accepted affordable home definition is who persons or his family all monthly income will have to spend on home more than 30-35%, this type of home indicates affordable home. In India population is increasing, we required the home to fulfill peoples need and government try to provide more homes. They have thinking about homes in the every five years plan and get solution in National housing and habital poling, HUDCO institute creates low interest home loan as compare to market interest rate. Hence, this news focused on affordable home should be available for selling flat, but also could not highlight on which factors are influencing for managing Customers’ behavior of flat purchase while developing project in selected city, which is the research gap for present study.25

26. **Times of India, Times Property** [English news paper Pune dated on 11/01/2014], entitled ‘**Pune Reality Growth More Organized than Mumbai**’, has reported by Ravi Sinha, Unlike most other satellite towns and twin cities across the country, Pune has carved its own niche and it continues to grow on its own unique demand drivers, says Ravi Sinha. Most of the urban cities that grew beyond the major metropolis have overshadowed the parent city for reasons more than one. While the
growth of these new cities in terms of infrastructure has been better and organized, it has been well supported by the growth of economic activity. Is Pune growing at the cost of Mumbai and overshadowing the peer big city? A close look at the rise and growth of Pune on the country’s realty landscape suggests that Pune is story in contrast. The realty growth in the city has been more organized and structured. It has not been growing at the cost of Mumbai. As a matter of fact, Pune has nowhere overshadowed Mumbai in terms of urbanization, economic activity or lifestyle choices but its growth nevertheless, has been better than Mumbai. Pune is known for its renowned educational institutions and the biggest IT hub which is enticing massive progresses in and around the city. Pune, comparatively, has a considerable land resources which is now being developed to create housing and commercial settlements. In Pune, the government offices, IT hubs and other economic activities, are quite well-spread which creates a good demand of realty in different geographical locations. Pune is observing an enumerable working population, comparatively less than Mumbai. Thus, this news takes overview of particular report, which helps to understand Pune reality growth in the Maharashtra, but this news could not focus on strategy used by Builders for managing Customers’ behavior in the selected city which is the gap for research.26

27. Times of India, Times Property [English news paper Pune dated on 15/03/2014], entitled ‘Survey on Green Real Estate Sector 2014’, (India’s Natural Capital Leaders- A Compendium-Kay Highlights of the Report), it has reported by Times Property, While construction processes are increasingly adopting environmental improvements, waste minimization practices and resource inputs, are getting less attention. One of the key objectives of the national mission on sustainable habitat, released by the Indian prime minister in 2008, was to extend the energy conservation building code to new and large buildings, to ensure energy efficiency in a significant way. There are an array of challenges and barriers ailing the green real estate sector in India, which get further amplified since its value chain presents different and conflicting views on the sectors’ revival. The objective of this study is to bridge this gap and to bring out insights that would help fuel sustainable growth in the green real estate sector. 72% of respondents believe that the high costs of green real estate buildings are a major impediment to the growth of this sector. Close to 50 per cent of the same set of respondents also believe that the high cost incurred on green
buildings is equivalent to that of normal buildings. This highlights a potential lack of understanding among stakeholders about benefits of green buildings. The study further identifies key enablers that drive the sector’s growth in India today. These include enhanced brand value and reputation of the company; financial incentives from regulators; municipal bodies and a growing international trend to invest and reside in green buildings. However, the drivers work only for the energy conscious investors and constructors, thus, leaving a large part of real estate stakeholders untouched by the sustainability principles. The recommendations highlight the pertinent need to increase stakeholders awareness about the holistic benefits of green buildings.

The study recommends significant changes to overcome these barriers and highlights the urgent need for all stakeholders like real estate developers, financial institutions, real estate fund managers, green building and landscape architect companies, ESCOs, construction material manufacturers and large pro-sustainability conglomerates, to come together to build and increase awareness on the tangible and intangible benefits of green buildings. It also stresses on the need to have stricter enforcement of existing regulations, along with a national level policy on all future commercial real estate projects. It is equally important for the industry to look at their resource consumption from a holistic perspective and incorporate consumption of natural resources like air, water, land, biodiversity and other dependent services, as part of their operations. The compendium aims to facilitate this process by presenting the best practices by various corporates in India as identified in the Eco-corporate category of the Natural Capital awards. The research reveals that water is the most important aspect of natural capital from an overall industry standpoint. However, this news is highlighted survey on green real estate sector but could not focus on Customers’ behaviour of flat purchaser in the selected city which is the gap for research.27

28. Times of India, Times Property [English news paper Pune dated on 17/05/2014], entitled ‘Upcoming Areas for Growth in the City’, has reported by Deepti Ganapathy, You can pick up your dream home any of these emerging localities in Pune. The city of Pune has been growing, thanks to the opening up of land parcels for development and industrial areas catering to specific industrial sectors such as automobile and information technology. In the last union budget, the finance minister
spoke of creating an industrial corridor of growth between the two major cities of Mumbai and Bengaluru, and the city of Pune is ideally situated between these two hubs of growth. According to Sanjay Bajaj, managing director Pune, JLL India, Ravet, Punawale and Charoli, are some of the emerging areas for residential reality growth.

*Ravet*- With the opening up of the new BRTS road, Ravet offers excellent connectivity to Aundh and the western parts of Pune, and the Mumbai-Pune Expressway. The rapid infrastructure growth in the PCMC region makes Ravet a good investment option. Apart from its accessibility, which in itself spells gold in real estate terms, there are other important establishments close to Ravet that add to its value as a residential location. These include the Aditya Birla Hospital, the Bajaj Auto manufacturing plant, SKF, Telco and educational establishments such as the Indira Institute of Business Management, DY Patil College and Mercedes Benz School. Its proximity to the Hinjewadi IT hub is of the strategic importance, since this fact makes it a new and affordable residential location for software employees there. It is also a location of high value to employees from the Talegaon MIDC and Chakan MIDC. It is, in fact, a binding location for these very important hubs.

*Punawale*- Punawale is another upcoming real estate location in the PCMC. Centrally positioned on the Pimpri-Chinchwad Municipal Corporation map, it has the advantageous proximity to Hinjewadi, Aundh and Wakad as well as the Mumbai Pune Expressway. Infrastructure in Punawale is rapidly developing and the area is going to see tremendous growth in the future. Thanks to the generous land availability, Punawale is the ideal location for the kind of large-scale townships that have become the USP of the PCMC’s real estate market. However, this news highlighted on upcoming areas for growth in the real estate business in sample city *but ignored Customers’ behaviour of flat purchaser and selling strategy for managing Customers’ behaviour, which is gap for research.*

29. Tawfik Salah Al-Nahdi, Emmanuel Nyakwende, Andan M. Banamah and Achmat Ahdiel Jappie (2015), in their research article “Factor Affecting Purchasing Behaviour in Real Estate in Saudi Arabia” in International Journal of Business and Social Science, stressed on factors influencing Saudi Arabians (Saudis) to purchase real estate. The study examines the effect of attitude, subjective norm, perceived behavior control, and finance on the intention to purchase real estate. The
researcher has concluded and suggested that, the study has illustrated the ability of the TPB to explain the intention to purchase real estate. It was shown that the intention to purchase real estate was influenced by attitude, subjective norm and finance while perceived behavioral control was not, with the subjective norm component being more influential.

This study provided what influence the behavior. The study has shown that attitude subjective norm and finance are accepted for explaining behavior purchase of real estate in Saudi Arabia. In conclusion, it is assumed that the outcomes of this study have contributed some valuable information for researchers, customers, marketers and real estate owners. It is expected that the result of the survey will provide information on the intention to purchase real estate and which variables affect this intention. Therefore, as a result, this study can serve as a future reference on the study of real estate. Which will help consumer to know what influence them to make this behavior. Also, will help governments to set procedures and regulations for current and future plans. In addition this study will help real estate instructors to understand what influence consumers toward real estate and consider it at their marketing planning. Admittedly, there are some limitations which must be given due attention. This article has not covered any concept of strategy used by Builders for managing Customers’ behavior of flat purchaser which is the gap in this article. However, present study has covered customers’ behavior of flat purchaser in the sample city, this is gap of research.²⁹

30. Dr. Neha Sharm (2013), in his article, ‘A Empirical Study of Consumer Buying Behaviour Regarding Home Appliances with Special Reference To Jaipur City’ in International journal of combined research and development, the researcher has concluded that Moreover, study of behavioural pattern is an essential prerequisite for deciding upon the marketing strategy regarding a particular product. What price is to be fixed, what quality is to be sold, which media of advertisement is to be selected, what offers are to be made, all such questions are to be answered only by reference to behavioural patterns. Nothing can be sold without knowing how the prospective buyers behave. Understanding the consumer psychology, thus, becomes the key factor that can decide the success or failure of a marketing strategy. it is revealed from the present study that consumer behaviour depends on a no. of variables such as demographic variables, personality, needs and buying motives,
family life cycle stage, family buying roles and the factors included in the choice criteria (e.g. technology, brand image, price, style and after sales services). Therefore, proper formulation of marketing strategy needs an overall understanding of this behavioural pattern of consumer. **However, researcher selected marketing strategy used by Builders for managing Customers’ behavior of flat purchaser in the Pimpri-Chinchwad city, which is the gap for research work.**

31. Ms. Aditi Midha, Dr. Shuchi Midha and Ms. Sanjeela Mathur (2013), in their article, “Buying Behaviour of Consumers towards Green Buildings in Delhi-NCR” in Gian Jyoti E-journal, researcher introduces that environmental issues are India is experiencing a tremendous growth in infrastructural growth. This paper analyses the fact whether green buildings are doing well by doing good to the environment and the society. Researcher has concluded that there is a hesitant fraction of investors, owners, architects and clients in the construction industry in India, who are not willing to invest in or build green due to the common acceptance of the belief that green buildings cost more. However, we cannot ignore the savings through green building features as costs in green buildings are associated with energy efficiency for a greener future tomorrow. So, there is a need to educate people of its immense benefits toward a greener future which has long term effect on both economic and environment performance. **Herewith, it is understood that, researcher highlighted on buying behavior towards green buildings in Delhi but could not explained on how to strategy used by Builders for managing Customers behavior of flat purchaser in the sample city; which is the gap for research.**

32. Dr. Tejinderpal Singh (2013), in his article, “Identifying Key Factors Affecting Purchase Decision of Residential Apartments: An Exploratory Study in Peripheries of Chandigarh.” In International Journal of Applied Services Marketing Perspectives, has stated that the present study has been designed to identify the key factors affecting purchase decision of buying residential apartments in peripheries of Chandigarh and, thereafter, to make of customers’ opinion about factors identified. The researcher has suggested that marketers should prominently communicate features of their projects based on identified factors. Factors like ‘Proximity’ and ‘Recreational & Leisure’ seem to be secondary. However, may be highlighted depending upon the segment of consumers. Demographics analysis showed that ‘type of job’ had significant effect on importance assigned to factors like ‘Basic Amenities’
and ‘Connectivity’. Further, income had significant effect on importance assigned to factors like ‘Basic Amenities’, ‘Financials’ and ‘Recreational & Leisure’. Therefore, real estate marketer should pay special attention towards these factors especially when dealing with customers from such categories. In the end, it is concluded that there is an ample scope for the future research in the domain. The scope of present study is limited to the tri-city, which may be extended to other areas like NCR, Mumbai etc., and comparisons may be made to see the differences in the buying behavior of customers belonging to these respective areas. However, this article has focused only some factors highlighted and affected purchase decision of residential apartments but could not cover various factors influencing purchasing of flat in selected city, this is a gap of the existing research work.  

33. Dr. Ajay Khare and Mr. Pratik Jain (2015), in his article, “An Integrated Approach of Buyers’ Behaviour towards Real Estate Sector (With Special Reference to the Study of Indore City),” in Peer Reviewed International Journal, has stated that, with growth in economy, investment in real estate is increasing. Investment in real estate properties is prudent at any point of time. In India, we are seeing year-on-year growth in the real estate sector. Consumers are expected to make real estate decisions that maximize their utility and wealth, given price and income constraints. The aim of this study is to examine the consumer’s house (real estate) buying behaviour from consumer’s perspective. This study has examined variables which affect the buyers’ behaviour such as location, risk, return on investment etc. and found that these factors have a great impact on buyers’ behaviour towards real estate sector. Addressing related issues through an understanding of behaviour of real estate buyer provide the means to explore the quality of past decisions and to make valid future decisions. Indore, an important city in India, has witnessed a high rate of growth in past few years. Increased demand for housing and investment in properties has led to increase in the rates of real estate. An attempt has been made to study the behaviour of buyer in association with the following variables such as location, price, return on investment etc. in Indore city. Therefore, from this article it is understood that, authors have exposed concept of behavior towards real estate sector but could not touch strategy used by builders for managing Customers’ behavior of flat purchaser in the Pimpri-Chinchwad city, which is the gap for present research.
34. Sayali Sandbhor, Ravindra Bapat and N. B. Chaphalkar (2013), in their article, ‘Analysis of Behaviour of Real Estate Rates in India- A Case Study of Pune City’ in International Journal of Social, Behaviourial, Educational, Economic and Management Engineering, researcher has concluded that Area of Pune has been increasing due to addition of fringe developing areas. This has served to decrease pressure on the central city encouraging an outward growth pattern. Pune real estate market today is buoyant and inviting. Upcoming projects like International airport and Metro rail would be changing the dynamics of the city as it may give increased floor space index (FSI) in the nearby areas, thus increasing the demand. As explained in the graphs, Pune needs to continue this growth and exploit its potential to its fullest so as to make the percentage growth rate sustainable. The trends exhibited in the graph clearly show that rates are continuously increasing not guaranteed. For better forecasting of rates, data spread over longer span of time should be available which will give number of cycles of boom and bust, thus facilitating accurate trend forecast. Percentage growth rate is a better measure of trend analysis than rate variation alone. Collection of more data and further study is required to forecast the trends of rate variation for guiding the stakeholders related to real estate market in making precise investment decisions. However, this article highlighted forecasting real estate rates in Pune city but ignored Customers’ behavior of flat purchaser in the Pimpri-Chinchwad, which is the gap for research.34

35. Njo Anastasia and Aileen Liana Suwitro (2015), in their article, ‘The Rational and Irrational Factors Underlying Property Buying Behaviour’ in Journal of Economics and Behavioural Studies, Authors have researched that, Property buying behavior is part of the development of financial behavior. This research has focused on the buyers perspectives on residential and commercial properties in Bali Island of Indonesia. Rational and irrational factors are the factors underlying the property buying process. The Physical, Location, Environment, Finance factors were part of the rational; while Psychological (over-confidence, conservatism bias, information and familiarity, herd behavior, mental accounting, and loss aversion), Emotion, Intuitional, Socialization, Evaluation were the irrational part. The purpose of this study was, first, to determine the factors that distinguish buyers behavior toward purchasing a property; second, to determine the factors that distinguish buyers behavior between buyers intending to live in compared to those seeking to invest.
This study concluded that there was a significant difference in decision making regarding buying property in Bali between respondents who have not bought property in Bali and those who have. The factor was financial, where those who have not bought property in Bali were more concerned about the financial factor. The study also found that there were significant differences in decision making regarding buying property in Bali between respondents intending to live in compared to those seeking to invest. The factors were psychology, emotion, intuitional, and evaluation. Investment buyers considered psychology, intuitional, and evaluation factors more important in their decision making processes. The differentiated factors may provide more specific characteristic of each type of property, and therefore the outputs will better explain the buyers’ behavior towards each type of property. Another avenue for future research is to add more factors or variables to the study, such as marketing, legal, culture and other factors represent real estate financial behavior. Hence, this article focused on property buying behavior in Bali, but also could not highlight on which various factors influencing on taking purchase decision of 1, 2 and 3 BHK flat in Pimpri-Chinchwad city, which is the research gap.35

36. Nasar K. K. and Dr. Manoj P. K. (2013), in their article, ‘Real Estate Development In India and The Behaviour of Investors to Invest In The Real Estate Market: An Empirical Investigation’, in SS International Journal of Economics and Management, has stated that, this study examines the behavioral factors that influence the Indian Investors to invest in the Real Estate Market. Among the various factors that affect the tendency of investors to invest in the real market, certain factors are greatly influenced the investors at greatest extend while others at least level. The objective of this study is to study the behavior of the investors to invest in the real estate market in India. It is suggested that since the real estate developers and brokers are motivating agents to the real estate investors, the developer’s guidance and advice based on the past experience and awareness of latest market trends would be helped the investors to decide a better investment decision. The comprehensive attempt to provide the behavioral and psychological awareness to realty investors and developers. Ensure appropriate asset allocation strategies for successful portfolio management of their clients which may be based on their life stage, emotional risk tolerance and their financial literacy level.
Provide improved services to help investors to make ideal selection from the portfolio and equipped them to diversify the funds to ensure return from investment. The real estate developers must have complied the business ethics and moral values to strengthen the business activities and the strategies adopted to realize profit. The real estate developers and agents are to be frequently communicated with investors, be ensured personal attention towards investors and provided quality services as promised. However, it is found that there is not only information about Customers’ behavior of flat purchaser and buying motives towards purchasing flat in the selected city, which is the gap for further research.36

37. S. Nithyamanohari and D. Ambika (2014), in his research article, ‘Study on Influence of Real Estate Industry in National Economic Growth’, in International Journal of Advanced Research in Civil, Structural, Environmental and Infrastructure Engineering and Developing, represent that Indian real estate sector growing as thrice the country’s GDP rate. The objective of this study is to get the latest information and to identify key factors that influence the real estate industry, to study on factors influencing real estate industry, to identify the factors which influence the real estate industry in national economic growth.

It is concluded that we can find out that the real estate industry as a pillar industry of the national economy has played a vital role in promoting the development of the national economy, and also makes an indelible contribution in speeding up urban construction, improving the economic environment, and optimizing the industrial structure, and so on. The real estate and the national economy have a mutual and close tie, and the far-reaching impact. There is a lot of work needed to further strengthen and improve in the process of sustainable development of the real estate industry. The Construction sector has strong linkages with various industries such as cement, steel, chemicals, paints, tiles, fixtures and fittings. While in the short term it serves as a demand booster, in the long term it contributes towards boosting the infrastructure capacity. Investments in Construction have a positive domino effect on supplier industries, thereby contributing immensely to economic development. Hence, this article focused on factors influence the real estate industry in national economic growth, but also could not highlight on which factors influencing taking purchase decision of flat in the selected city, which is the research gap.37
38. Pensri Jaroenwanit, Chawapot Supasarn and Supot Deebnmee (2015), in their article, ‘The Influence of Materialistic Attitudes and Material Values on Customers’ Intension to buy property in Thailand’, in the Macrotheme Review, A Multidisciplinary journal of global macro trends, it can be concluded that all independent variables (material attitudes, material values and brand awareness) can affect on consumers’ intention to buy property in Thailand at the different level when they were tested separately by correlation. This is consistent with the past researches. The highest influential factor affecting on intention to buy property in Thailand is the material value, followed by the brand awareness and materialistic attitudes. When all independent variables (material attitudes, material values and brand awareness) were tested their influence to consumers’ intention to buy at the same time, it can get the different results from correlation. This result can be explained that when consumers have to decide by comparing the various criteria. They will decide on the basis of the most important criteria, the most benefits gaining and obvious output. It can be seen that the material values are important variables included three dimensions which are success, acquisition centrality, and happiness. As a result, this will enable marketers to understand consumers and will lead to use material values for strategies development to the market.

The researcher has suggested that Make a difference in innovation and be the different business. The property investors need to be able to improve the products and services. They should have improvement their marketing strategy to be different from competitors for creation value for money concept to the consumers. Provide a good experience in purchasing the property to the target group and offer a positive attitude when doing marketing programs. The investors should build a good relationship with their customers in order to increase materialistic attitudes. Furthermore, the good characteristics of products and convenient access should be offered to the target consumers. Create good brand awareness to attract new consumers and keep loyal customers even it can affect intention to buy at the low level but it can help for memory creation. The good brand awareness strategy such as improving social responsibility programs, providing various good quality products and offering an attractive and differentiated promotion program for the target customers. It is also noted that, authors focused on consumers’ intention to buy property in Thailand.
but present study focused on Customers’ behavior of flat purchaser in the Pimpri-Chinchwad (Pune) city, this is gap of research.\textsuperscript{38}

39. Sanjay Sarthy (2011), in his article, ‘Opinion Leaders in Real Estate Markets’, in International Real Estate Review, has stated that, the purpose of this research paper is to examine the influence of opinion leaders in real estate markets. The main objective is to contribute to the important factors that influence opinion leadership in the real estate market. The understanding of the concept of opinion leadership, and then, the definition of the variables and their measurements are studied. An empirical study is carried out to establish the relationship of the variables with opinion leaders. Researcher has concluded that the results of this study clearly indicate that opinion leaders (compared to non-leaders) are influenced by exposure to media sources, social networking, product knowledge, innovativeness, and computer usage in the real estate market. Today, opinion leaders are influenced by the internet and most of them show more interest in social involvement. They also read trade publications and are consistently updated on new products.

These findings are important to businesses that incorporate identifying, targeting and reaching opinion leaders as part of their promotional strategy. It seems particularly desirable that future research should focus on the practical problems or pitfalls which might arise out of a marketing manager’s attempts to isolate opinion leaders within his/her market. An important area of further research is the identification of opinion leaders within specific product categories. Unfortunately, profiling demographic and psychographic characteristics of opinion leaders within specific products is outside the scope of this research and remains an important area for future investigation. This information could provide businesses with meaningful insights to develop appropriate marketing strategies. \textit{However, researcher selected strategy used by builders for managing Customers’ behavior of flat purchaser in selected city, which is the gap for research work.}\textsuperscript{39}

40. Mateja Kos Koklic and Irena Vida (2013), in his article, ‘A Strategic Household Purchase: Consumer House Buying Behaviour’ in Managing Global Transitions, represent that the aim of this study is to examine consumer house-buying behavior from the consumers’ perspective. In view of the existing literature exploring consumer decision making, the purpose of this research was threefold: (a) to propose a conceptual model of consumer decision making within the frame of consumer
behavior; (b) to gain knowledge of factors impacting this process from the empirical standpoint with the focus on prefabricated house purchases; and (c) to offer implications for beneficial purchases of prefabricated houses.

It is suggested that the results of this research should be viewed from the perspective of limitations inherent in this qualitative inquiry. As our goal was to examine buying behavior for custom-made prefabricated house, the available population was rather limited. We focused on one brand with quite a few unique characteristics. Due to the confidential nature of the data, the company was not allowed to dispose its customers’ data, which would allow for a more systematic selection of the study participants. However, it is hoped that by proposing a conceptual model of buyer behavior with respect to house purchase and testing it empirically, this study contributes to a better understanding of the buying process for a strategic product. The results of this research may offer a springboard for future research in this field. Thus, this article has covered that, consumer house buying behavior, but also this article could not highlight strategy used by Builders for managing Customers’ behavior of flat purchaser for Customer point of view which is the research gap for further study.40

41. Diego Salzman and Remco C. J. Zwinkels (July 2013), in his article ‘Behavioural Real Estate’ in Duisenberg School of Finance-Tinbergen Institute Discussion paper, Researcher has concluded and suggested that this paper aims to explain inefficiencies in the property market from a behavioural perspective. These attempts are split into the different functions of housing and the different stakeholders in the property market. This review suggests that corporate investors as well as households have a biased view towards their investments. Cognitive biases, such as over-optimism and over-confidence can explain deviations from rationality. Moreover, the appraiser plays an important role in the determination of property prices: actual observed appraisal processes largely deviate from the prescribed normative process. Cognitive limitations such as availability heuristic, confirmation bias and anchoring help to explain this discrepancy to a large degree. In addition, client pressure is shown to make appraisers revise their valuation due to agency problems.

The non-financial consumer perspective in the housing market highlights residential mobility and emotional attachment towards houses. As Robert Shiller
observes homebuyers are not aware of the importance of psychological processes in the real estate market. Homebuyer surveys asked whether recent trends in house prices could be better described by psychology or economic and demographic conditions. Only 13 percent of respondents acknowledged the importance of psychology. This was despite the fact that real house prices for the US as a whole increased by 52 percent between 1997 and 2004 (Shiller, 2005). As Shiller (2007) clearly points out, people base life decisions on vague expectations. Combining these expectations with their perception of having a unique property makes them think their property will become extremely valuable. This foresight makes them consume more today and implicitly drive up prices tomorrow.

We believe that the importance of behaviour and emotions embedded in the decision of intervening in the real estate market either as a consumer or investor is undeniable. Therefore, we hope that this work not only helps to bring light in the current state of affairs, but also motivate researchers to pursue more studies on this fascinating arena. This survey could help consumers and investors to recognize and act on their predictable irrationality and induce policy makers to ‘nudge’ the real estate market towards more efficiency. However, this article has not focused Customers’ behavior of flat purchaser in selected city, which is the gap in this research. It is noted that, the present research study has focused on customers’ behavior of flat purchaser and strategy used by builders for selling flat etc. which gap has covered in this research.41

42. Lorena Croitor (2012), in his article, ‘Consumer Utility Theory to Business Management’, in The USV Annals of Economics and Public Administration, has expressed in this article that, the purpose of the work was to identify the factors determining the dynamics influencing consumer behavior. The consumer is a trader, which is characteristic of its purchase and consumption of goods, starting from a given disposable income. He maintains relationships with other businesses through various operations. Thus, the consumer is linked to the business that provides labor and wages arising from, but also through the purchase of products and prices that he agrees to pay in exchange.

With a limited income, the consumer is forced to decide on its rational use as defining its judicious expenditure structure. Consumer utility theory approach to business management involves identifying all the theories that could lead to a much
greater certainty in the area of business. The goal is not to maximize economic production but to produce what is needed. When you manage a business is very important, first, the behavior you have to to your own customers, respectively you should behave as a "waiter" that goes and takes the order - what do you want? I think it is very important in managing a business to use as a starting point to find the most simple answers, namely: why? where? when? For whom? how much?. It is so important to know your business partner - the consumer because without him you don't have sense, why to exist? Why? - is very simple, it appeared that the individual has a series of needs that must be met with a lower priority or higher. We can not only choose what we want to serve and so we take the control, actually listening to him, what needs to be satisfied.

Consumer behavior is influenced in the same position and personal traits are important as age and stage of life cycle, the economic situation of the person, occupation and education, motivation, perception, learning, beliefs, and attitudes, personality and self-image, de-throughout life, changing consumer preferences for products, there are other needs. Economic situation is affecting the person as consumer behavior especially in terms of quality, quality and price is reasonable features. Consumer behavior can be studied psychologically in an effort to find out who is actually our consumer. This shows us the psychological or physiological reasons for consumer, social, economic, etc. affiliation to repeat the purchase process. Price is an important feature in studying this topic because there are people who cannot afford the economic, others who are willing to pay a higher price to make sure quality, while others want to buys just because it is expensive to confer a certain status (model Veblenian). It is noted that this article has focused on theory of consumer behavior but could not focus on Customers’ behavior of flat purchaser and taking purchase intension of flat in sample city, which is the gap for present research.42 43.

KF Man and KW Chau, in his article, ‘Is the existence of property cycles consistent with the Efficient Market Hypothesis?’, the author has expressed in this article that, A number of empirical studies have confirmed the existence of property cycles in various mature real estate markets. In this paper, we will see whether these results fit in with the existing relevant theories. The efficient Market Hypothesis (EMH) is one of the cornerstones of the mainstream finance. In the context of the
equity market, one of the generally accepted implications of the EMH is the future price of a security is unpredictable. The real estate market, by various empirical studies, has found to be weak form efficient. It is thus natural to infer that no property cycle exists as otherwise it would imply the predictability of property price and that is not consistent with EMH.

Researcher has concluded that the efficient market hypothesis certainly plays an important role in the development of modern finance, though the joint-hypothesis problem puts it in an awkward position. It did arouse much academic interests on the efficiency, absolute or relative, of the markets in the past several decades and led to better understandings of the market participants and the market itself. To sum up, one can say that the EMH still survives the rigorous theoretical arguments and empirical testing, as long as it resurges as an idealised concept upon which the reality make comparison to it from time to time. However, this article highlighted existence of property cycles in various mature real estate markets but ignored Customers behavior of flat purchaser and various factors influenced taking purchase decision of flat, which is gap for research.43

44. J. Edward Graham, Jr. and William W. Hall (2002), in his article, ‘Catastrophic Risk and The Behavior of Residential Real Estate Market Participants’ in Eastern Finance Association Baltimore, has provided the references that we gather home sales data for the Cape Fear region of North Carolina and model residential real estate market activity in this coastal area between 1995 and 2000, a period of unprecedented hurricane activity. We extend earlier research revealing an adverse relationship between home values and the series of hurricane strikes beginning in 1996 in the area. We construct a framework to consider the changing sentiment of the residential real estate market.

The researcher has given conclusion remarks that we extend earlier studies that find relationships between home values and a series of catastrophic events. Prior work suggests, and we affirm, an adverse relationship between a series of hurricane strikes and home selling prices in the Cape Fear area. In this paper we find also that two measures of market sentiment are negatively associated with the last in a series of storms in the study region and may be the result of perceptions of increasing catastrophic risk. The two proxies for sentiment, the average relative spread between listing prices and selling prices and average units sold in the market per month, both
increase following the most recent storm, Floyd, in 1999. The average spread begins to increase significantly following Bonnie, the penultimate hurricane in 1998.

These results are of interest to several audiences. First, knowledge of this influence on housing demand may help developers better plan their building activity. Second, this knowledge may assist real estate agents better market properties in the subject area. Third, local government planners could use the results, as well, in directing growth to minimize hurricane losses. Finally, lenders and insurers might use the data to better plan their activities and to anticipate changes in the demands for real estate funding and home insurance. 

It is also noted that, author focused on catastrophic risk and behavior of residential real estate but present study focused on Customers’ behavior of flat purchaser in the sample city, this is gap of research.44

45. Dr. Job Omagwa and Dr. Josiah Aduda (2012), in his article, ‘The Mediating Effect of Housing Search on the relationship between Demographics and Residential Housing Decisions Amongst Apartment Households in Nairobi County, Kenya’, in advances in Management and Applied Economics, has expressed that the study sought to investigate the mediating effect of housing search on the relationship between apartment household demographics and four residential owner-occupied housing decisions. The specific objectives of study were to ascertain the specific demographics and housing search components that have a statistically significant influence on housing decisions amongst apartment owner-occupied households in Nairobi County, Kenya. To determine if housing search has a statistically significant mediating effect on the relationship between demographics and housing decisions amongst apartment owner-occupied households in Nairobi County, Kenya.

It is found that the results presented in the preceding section, housing search mediates the relationship between demographics and choice of neighbourhood, choice of location of apartment house, source of financing and size of apartment house. However, in all the four sub-hypotheses, the mediation of housing search was not statistically significant: this is an indication of low levels of formal housing search. The study further found that most of the demographics had a statistically significant influence on the four decision types. Age, profession, experience with housing markets, region of affiliation (a proxy for tribe) and education of home owner and
income of the household were not statistically significant demographics in explaining the four decision types when housing search was taken as the mediator variable.

The results of the study were suggestive of very low levels of housing search (since the mediation of housing search was not statistically significant) indicating that the apartment owner-occupied housing market in Nairobi County, Kenya is efficient to the extent of the scope of the study. The average distance covered while searching was the only housing search indicator with a statistically significant influence on the relationship between demographics and the four housing decision types. **Herewith, it is understood that, researcher highlighted on significant influence on housing decisions amongst apartment owner-occupied households in Nairobi County, Kenya but could not explained various factors influencing on taking purchase decision of flat in the Pimpri-Chinchwad city, which is the gap for the research.**

46. Simone Reis and Nishchal Joshipura (2010), in his article, *‘Unfair Trade Practices by Builders in India in the Era of Competition’*, states that the importance of the construction industry in every economy cannot be littled. Its pivotal role in developing economies is further recognized. The industry’s significance lies in the fact that almost every other sector depends on the infrastructure and buildings that it constructs. This article attempts to deal with the unfair trade practices that builders in India are accused of, the allegations of cartelization and the protection awarded to the distraught under Indian Legislation.

Researcher has concluded that, in the era of an economic boom, the cry for commercial and residential development in India has never been louder. Practices employed by the construction industry are constantly questioned and are the subject of a plethora of litigation. Unfair trade practices seem to be an unstoppable evil. It is worth; however, pondering as to whether these practices, especially those concerning price, are a natural fall out of society itself. The inelastic demand for property in prime localities and cities to the exclusion of others, the economic disparity of our country which shows in the readiness of a few to throw in the extra pound at the drop of a hat, the inadequacy of effective legislative control where states seek to regularize past illegalities on account of the state’s inability to provide its citizens the fundamental right to a decent living may all be contributions to these practices. Without prejudice to the aforesaid, the builder community has exhibited behavior that leads one to question its ethical values and its consideration for the law and society. In
a case where builders were alleged to have violated with impurity sanctioned building plans, and the rules relating to Floor Space Index, fire safety and parking, facilities to the prejudice of the planned development of the city, the high court of Chennai echoing similar sentiments of the Apex court stated as follows: Such wayward growth in illegal constructions has posed a serious threat to ecology and environment and affected water supply, sewerage and traffic movement facilities in the city. **However it is found that there is not any information about strategy used by Builders for managing Customers’ behavior of flat purchaser in selected city**, which is the gap for further research.46

47. Bojan Grum and Darja Kobal Grum (2015), in his article, ‘A Model of Real Estate and Psychological Factors in Decision-Making to Buy Real Estate’, in Urbani Izziv, stated that, this article explores the psychological characteristics of potential real estate buyers connected with their decision to buy. Through a review of research, it reveals that most studies of psychological factors in the decision to buy real estate have a partial and dispersed orientation, and examine individual factors independently.

It is concluded that this study raises starting points that make it possible to study the importance of the interaction between real estate and psychological factors when making a decision to buy real estate at both the theoretical and empirical levels. It is one of the first attempts to explain the role of the psychological characteristics of real estate buyers and their expectations regarding the decision to buy without relying on a partial or incoherent interpretation of these factors. The study seeks to integrally and relationally explain the role of the psychological characteristics of real estate buyers and their expectations regarding their decision to buy, which is shown in the model in Figure 2. We summarized our starting hypothesis, which makes it possible to set up a hypothetical model of psychological factors in the decision to buy real estate. In our model, these are basic and status motives, subjective emotional wellbeing and self-esteem. The article identifies two psychological factors (motivational and emotional factors), determines their interaction with potential buyers’ expectations when deciding to buy real estate and, based on this, develops a platform for designing the hypothetical model. **Thus, it is understood that this study has focused on psychological factors in the decision to buy real estate, but it is noted that**
researcher ignore various factors influencing taking purchase decision of flat and buying motives for selecting flat, it is a gap of research.\textsuperscript{47}

48. Rick Renzi (2014), in his article ‘The Indian Homecoming’ written in the magazine, ‘Real Properties’ on the theme Home ownership is the cornerstone of a strong community, the writer has expressed that no matter if the media overwhelms the audience with fashion, consumables and electronic gizmos, the ownership of which are supposed to make a statement that one has arrived in society- at the core to be a ‘makaan maalik’ or home owner is still what counts in India. There’s an unquestionable sense of security and stability that is attached to be living in “one’s own home” that overrides an Indian’s other status symbol the ownership of gold.\textbf{Brick by brick}- at a time when real estate prices in the country are rising, actually investing in a property is still a destination far away. \textbf{Catch them Young}- Though traditionalists may sigh over the younger generation adopting non-Indian ways, one thing that remains unchanged, is the drive to become a home owner at the earliest. Young achievers keep property acquisitions as a major focal point of their investment portfolio. \textit{However, this study focused on home ownership is the corner stone but could not focus on Customers’ behavior of flat purchaser and intension of buying flat, this is a gap of the existing research work.}\textsuperscript{48}

49. In the preface written (2014) ‘7 Points To Remember Before Buying Properties’ for the magazine, ‘Real Properties’ on the theme: the writer has expressed that before you buy property, it is necessary to evaluate it from different points of view. After all, one does not invest in a property every other day. A wrong decision at the time of investment may ruin your entire life. On the same lines, a wise and well-thought out decision will make your life easier, peaceful and happier. Here is a ready check-list that you may carefully go through before you invest your earned money in a flat, shop or office.

\textbf{Location:} The location of any property is the most important consideration. You can start planning with this aspect in view. Consider carefully your family’s needs for the next 20 years, at least. \textbf{Builders Reputation:} It is advisable to check the reputation of the concerned builder. The brochures may promise many amenities and facilities. Although the reputation of a builder has nothing to do with the promises made and kept, it is generally believed that a committed builder will never do anything that will spoil his reputation in the market. \textbf{Basic Necessities:} These are the
things you need on a daily basis and you cannot ignore them. It is advisable to pen down your list of such basic needs and then choose a house that offers you the best solutions for these needs. **Water Supply:** Check whether the water is supplied by PMC/PCMC or whether the water is being provided for from a bore well. If there is a municipal supply available find out for many hours it is being supplied. **Parking:** Parking for your vehicle is a very important matter. In some societies, parking facilities are available at a price. **Drainage:** According to Vastushastra and Feng Shui, water should not be clogged at any place in the house. The bad odour will not only make your life miserable, but also become an embarrassment when there is a guest visiting you. More importantly, the drainage and sewage systems emit harmful gases, which is detrimental to the health. **Security:** Security of the area and family is an aspect that cannot be ignored while planning a move. If you plan to buy a house in a mega society, just check out the security systems such as the number of security guards on rotation, the availability of intercom facilities, registration of visitors and their vehicles, etc. Consider these points carefully, before you invest in a property.

**However, this study focused on few points before buying properties but could not focus on various factors consider for purchasing flat and buying motives for selecting flat, this is a gap of the existing research work.**

50. In the preface (2013), ‘**The Home Purchase as an Asset**’ written for the magazine, ‘**Real Properties**’ on the theme the debate on economics of buying a home differs whether you are an economist or a common man, the writer has stated that investment, developing asset or family security? A home purchase means different things depending on your perspective of value. A financial expert will tell you that as a buyer you have neither earned nor contributed towards the economy of the nation by buying a ready house. It is the original builder who gets credit for that effort. Somewhere you made some personal pockets heavier. Most of these are in the service sector.

As development asset, real estate is unpredictable so as time lines go. Making money here usually means long term holding. If your holding power is under say 5 years, it is better to rent a property for the period and stay off purchasing it. The place where buying a home works best is those who are working for securing their families. A home offers status, stability and a stepping block for the next larger property as family and income progress. Some feel that a purchased home offers full value as life
spans are growing and people live in their homes for longer periods. It is also noted that, author focused on home purchase as an asset but present study focused on Customers’ behavior of flat purchaser and intention for taking purchase decision of flat in the selected city, this is gap of research.\textsuperscript{50}

\textbf{51.} In the preface (2013) ‘\textbf{Tips on Investing in a Pre-Launch Residential Project}’ written for the magazine, \textquote{\textbf{Property List}} on the theme writer has expressed that a pre-launch (or \textquote{soft} launch) is a situation where a developer informs a specific circle of brokers and investors of the availability of properties for sale in a project that has not been officially put on the market yet. Interest for pre launch projects is usually shown by investors and end-users who seek to benefit from the price advantage and can wait for a couple of years before getting possession of their flats.

It makes most sense to investors and end users if they are certain about the builder’s brand and track record. The price advantage of buying into a pre-launch project can be anything between 5-20% depending on various market factors. Due diligence before deciding to go ahead: a) Establish whether the builder has free and clear ownership of the land on which the project is being built. b) The project needs to have a IOD (intimation of disapproval). This is a set of instructions that a developer needs to comply with so that he can legally construct the project. The IOD is valid for one year and needs to be reissued if the project has not been completed in a year’s time. c) The project also needs to have a commencement certificate in place. \textit{However it is found that writer focused on tips on investing in a pre-launch residential project but could not highlight strategy used by Builders for managing Customers’ behavior of flat purchaser in selected city, which is the gap for further research.}\textsuperscript{51}

\textbf{2.1.3 Gap:}

\textit{The above all research articles are focused only on consumer buying behavior and other applications of consumer behavior. None of the article was available for the study which has covered Customers’ behavior of flat purchaser and strategy used by Builders for managing Customers’ behavior. The researcher has found Consumer buying behavior and Customer behavior of flat purchaser gap in the above Review of Literature.}
2.1.4: Conclusion of Review:

The review of literature is carried out to obtain the cognizance of the related research undertaken by various other researchers in and around the country over the years. It also reflects the growth and advanced development in the real estate sector has undergone. Consumer buying behaviour towards housing search depends on demographics and choice of neighborhood, choice of location of apartment house, source of financing and size of apartment house. It is noted that age, profession, experience, education of home owner and incomes of the household were help to housing search. It is remarked that before you buy property, it is necessary to evaluate it from different points of view.

Thus, the literature reviewed on the topic shows that though a study has been carried out on home purchase and related aspects, major study carried out are related to consumer buying behaviour in the real estate. It is rather not carried out. The researcher intends to fill this gap by customer behaviour of flat purchaser in the Pimpri-Chinchwad (Pune) city area. The study would help in understanding the various aspects of customer behaviour of flat purchaser and strategy used by builders for managing customers’ behaviour in the Pimpri-Chinchwad (Pune) city.
2.2: THEORETICAL BACKGROUND:

2.2.1: BUILDERS:

2.2.1.1: Introduction:
Over the past decade, India has emerged as a leader in the global economy. It is a magnet for foreign direct investment (FDI), and has displaced Mexico as the third most preferred country for foreign investment. FDI in India is expected to increase to US$15 billion this year, triple the 2004 figure. Many foreign companies are starting or expanding operations in India. One-fifth of all Fortune 500 companies including Eli Lilly, General Electric, and Hewlett Packard have set up research and development facilities in India. The surge in foreign investment, more joint ventures between Indian and foreign companies, and the growth of India’s domestic industries have created more employment opportunities for India’s young, highly educated, professional workforce and fueled the growth of the country’s middle class.

Advantage India: Real estate is one of the fastest growing sectors in India. Market analysis pegs returns from realty in India at an average of 14% annually with a tremendous upsurge in commercial real estate on account of the Indian BPO boom. Lease rentals have been picking up steadily and there is a gaping demand for quality infrastructure. A significant demand is also likely to be generated as the outsourcing boom moves into the manufacturing sector. Further, the housing sector has been growing at an average of 34% annually, while the hospitality industry witnessed a growth of 10-15% last year.

The Real Estate industry has significant linkages with several other sectors of the economy and over 250 associated industries. One Rupee invested in this sector results in 78 paise being added to the GDP of the State. A unit increase in expenditure in this sector has a multiplier effect and the capacity to generate income as high as five times. If the economy grows at the rate of 10% the housing sector has the capacity to grow at 14% and generate 3.2 million new jobs over a decade. The relaxed FDI rules implemented by India last year has invited more foreign investors and real estate sector in India is seemingly the most lucrative ground at present. Private equity players are considering big investments, banks are giving loans to builders, and financial institutions are floating real estate funds. Indian property market is
immensely promising and most sought after for a wide variety of reasons. Here’s a snapshot.\textsuperscript{52}

\textbf{i) Construction industry of India:}

The Construction industry of India is an important indicator of the development as it creates investment opportunities across various related sectors. The construction industry has contributed an estimated 6708 billion to the national GDP in 2011-12 (a share of around 9\%). The industry is fragmented, with a handful of major companies involved in the construction activities across all segments; medium-sized companies specializing in niche activities; and small and medium contractors who work on the subcontractor basis and carry out the work in the field. In 2011, there were slightly over 500 construction equipment manufacturing companies in all of India.

In India, Construction has accounted for around 40 per cent of the development investment during the past 50 years. Around 16 per cent of the nation's working population depends on construction for its livelihood. It contributes more than 5 per cent to the nation's GDP and 78 per cent to the gross capital formation. Total capital expenditure of state and central government will be touching 8,021 billion in 2011-12 from 1,436 billion (1999-2000). The share of the Indian construction sector in total gross capital formation (GCF) came down from 60 per cent in 1970-71 to 34 per cent in 1990-91. Thereafter, it increased to 48 per cent in 1993-94 and stood at 44 per cent in 1999-2000. In the 21\textsuperscript{st} century, there has been an increase in the share of the construction sector in GDP and capital formation.\textsuperscript{53}

\textbf{ii) Construction History:}

\textbf{a) Construction in the Seventeenth Century:}

The seventeenth century saw the birth of modern science which would have profound effects on building construction in the centuries to come. The major breakthroughs were towards the end of the century when architect-engineers began to use experimental science to inform the form of their buildings. However, it was not until the eighteenth century that engineering theory developed sufficiently to allow sizes of members to be calculated. Seventeenth-century structures relied strongly on experience, rules of thumb and the use of scale models.

\textbf{1. Materials and Tools:} The major breakthrough in this period was in the manufacture of glass, with the first cast plate glass being developed in France. Iron was increasingly employed in structures. Christopher Wren used iron hangers to
suspend floor beams at Hampton Court Palace, and iron rods to repair Salisbury Cathedral and strengthen the dome of St Paul's Cathedral. Most buildings had stone ashlar surfaces covering rubble cores, held together with lime mortar. Experiments were made mixing lime with other materials to provide a hydraulic mortar, but there was still no equivalent of the Roman concrete.

2. Methods: Despite the birth of experimental science, the methods of construction in this period remained largely medieval. The same types of crane that had been used in previous centuries were being still being employed. Cranes and scaffolding depended on timber. Complex systems of pulleys allowed comparatively large loads to be lifted, and long ramps were used to haul loads up to the upper parts of buildings.

b) Construction in the eighteenth century:
The eighteenth century saw the development of many the ideas that had been born in the late seventeenth century. The architects and engineers became increasingly professionalised. Experimental science and mathematical methods became increasingly sophisticated and employed in buildings. At the same time the birth of the industrial revolution saw an increase in the size of cities and increase in the pace and quantity of construction.

1. Materials: The major breakthroughs in this period were in the use of iron (both cast and wrought). Iron columns had been used in Wren's designs for the House of Commons and were used in several early eighteenth-century churches in London, but these supported only galleries. Brick production increased markedly during this period. Many buildings throughout Europe were built of brick, but they were often coated in lime render, sometimes patterned to look like stone. Brick production itself changed little. Bricks were moulded by hand and fired in kilns no different to those used for centuries before. Terracotta in the form of Coade stone was used as an artificial stone in the UK.

c) Construction in the nineteenth century: Industrial Revolution-
The industrial revolution was manifested in new kinds of transportation installations, such as railways, canals and macadam roads. These required large amounts of investment. New construction devices included steam engines, machine tools, explosives and optical surveying. The steam engine combined with two other technologies which blossomed in the nineteenth century, the circular saw and machine
cut nails, lead to the use of balloon framing and the decline of traditional timber framing.

d) Construction in the Twentieth century:

Woolworth building under construction in 1912

A structural worker on the Empire State Building. Workers such as this man were often referred to as "old timers" because in that time era, most men working on building structures were middle-aged.

From the 20th century, governmental construction projects were used as a part of macroeconomic stimulation policies, especially during the Great depression (see New Deal). For economy of scale, whole suburbs, towns and cities, including infrastructure, are often planned and constructed within the same project (called megaproject if the cost exceeds US$1 billion), such as Brasília in Brazil, and the Million Programme in Sweden. In the end of the 20th century, ecology, energy conservation and sustainable development have become more important issues of construction.

e) Construction History as an academic discipline:

There is no established academic discipline of construction history but a growing number of researchers and academics are working in this field, including structural engineers, archaeologists, architects, historians of technology and architectural historians. Although the subject has been studied since the Renaissance and there were a number of important studies in the nineteenth century, it largely went out of fashion in the mid-twentieth century. In the last thirty years there has been an enormous increase in interest in this field, which is vital to the growing practice of building conservation.54

2.2.1.2: Definitions of a Builder:

1) A person who builds, esp one who contracts for and supervises the construction or repair of buildings.
2) One that builds, especially a person who contracts for and supervises the construction of a building.
3) A person or business that makes or builds something: assembler, constructor, erector, maker, manufacturer, producer.
4) A person instrumental in the growth of something, especially in its early stages: contributor, creator, developer, pioneer.
5 A person or company that builds or repairs things (such as houses, ships, bridges, etc.): something that helps to develop or increase something.55

Building and construction is the art, the work, job, or business of combining, forming, or putting together materials to make a structure. Construct means to make or build something. People who construct or build things are sometimes called builders. Structures such as a house, store, office, barn, church, skyscraper, and a school are called buildings. Other structures built or constructed by people are cars, railways, ships, bridges, and highways.56

i) House Construction Phases:
The process often starts with a planning stage in which plans are prepared by an architect and approved by the client and any regulatory authority. Then the site is cleared, foundations are laid and trenches for connection to services such as sewerage, water, and electricity are established. If the house is wooden-framed, a framework is constructed to support the boards, siding and roof. If the house is of brick construction, then courses of bricks are laid to construct the walls. Floors, beams and internal walls are constructed as the building develops, with plumbing and wiring for water and electricity being installed as appropriate. Once the main structure is complete, internal fitting with lights and other fitments is done, and the house may be decorated and furnished with furniture, cupboards, carpets, curtains and other fittings.

Architectural design values make up an important part of what influences architects and designers when they make their design decisions. However, architects and designers are not always influenced by the same values and intensions. Value and intensions differ between different architectural movements. It is also a big contributing factor as to how an architect or designer operates in his/her relation to clients. Different design values tend to have a considerable history and can be found in numerous design movements. The influence that each design value has had on design movements and individual designers has varied throughout history.57

ii) Construction Workers:
People have constructed buildings and other structures since prehistory, including bridges, amphitheatres, dams, roads and canals. Building materials in present use have a long history and some of the structures built thousands of years ago are regarded as remarkable. To understand why things were constructed the way they were in prehistory, we also need to rely on archaeology to record the form of the parts that
survive and the tools used, and other branches of history and architecture to investigate how the builders lived and recorded their accomplishments.

The history of building is marked by a number of trends. One is the increasing durability of the materials used. Early building materials were perishable, such as leaves, branches, and animal hides. Later, more durable natural materials such as clay, stone, and timber, and, finally, synthetic materials, such as brick, concrete, metals, and plastics were used. Another is a quest for buildings of ever greater height and span; this was made possible by the development of stronger materials and by knowledge of how materials behave and how to exploit them to greater advantage. A third major trend involves the degree of control exercised over the interior environment of buildings: increasingly precise regulation of air temperature, light and sound levels, humidity, odours, air speed, and other factors that affect human comfort has been possible. Yet another trend is the change in energy available to the construction process, starting with human muscle power and developing toward the powerful machinery used today.\textsuperscript{58}

2.2.1.3: Characteristics of the Builder:

If you are looking to hire a home builder who can bring your dream home into reality, it is vital that you hire those that are considered as good home builders. The thing is that not all home builders are good in what they do or are good in dealing with. Simply put, there are good home builders which are highly desirable to hire for any home construction you have, and then there are bad home builders whom you should avoid hiring at all costs. This is because they will just leave you hanging, confused, angry, and oftentimes irritated with how they handle their work.

When it comes to bad home builders, basically, their work ethics is that of undesirable type as they do not apply professionalism in their chosen trade. Good home builders on the other hand are the ideal ones everyone should consider hiring when having their homes constructed. This is because the good home builders are very reliable and trustworthy that you can rest easy knowing that they are the type of home builders you have hired for your new home construction.

It is easy to say that the good home builders are the ones whose services are highly sought after by people who wants to have their home built. Through their proper work ethics, they are able to establish very good relationships with their
clients, which in turn help to bring up their reputation to a solid standard. Clients who are deeply impressed and satisfied with the work they have accomplished along with the hard work they have put out for them considers the home builder as highly recommendable; a recommendation that of which will not fall short.

Most home builders who are proficient in what they do actually strive to provide customer satisfaction to every client they come in contact and provide their services to. By being good at what they do and striving even more to provide overall satisfaction for their clients, it can be said that they take their work very seriously and that it is a challenge for them to provide the best customer satisfaction that cannot be contested due to the amount of work they have put through in order to accomplish the construction project right and by making sure that everything is done just perfectly.59

Important characteristics of a good custom home builder:

1) **Reputation:** - Start with customer references. They are vital when choosing the right builder. Also, find out how long the builder been serving the area and check with your local builders association to see what kind of history they have. Lastly, ask the builder if they have homes nearby, built or under construction, that you can inspect in detail.

2. **Flexibility:** - Make sure they have an in-house design team and a wide array of floor plans. Will they fully adapt your plan to the topography of your land, and when it comes to customizing your home, how flexible are they? Some are only willing to make minor changes to the plan, while others will do whatever it takes, including altering the plan’s very footprint. Finally, make sure the builder has a home center where you can explore options like cabinetry, molding, etc. A home is a big investment, and getting the right one depends on a builder’s flexibility and options.

3. **Commitment to Service:** - Note how attentive, knowledgeable and professional their staff is. Do you trust them and feel comfortable enough to work with them throughout the building process? And do they have a system in place to handle service requests during, and after, construction? Keep in mind, when issues arise, a good builder addresses them promptly, correctly and professionally.

4. **Value and Quality:** - A good reputation and strong track record generally means the builder is more financially secure and has more buying power with their suppliers. So, you typically get better prices on necessities like appliances, light fixtures, flooring, etc. More importantly, make sure they put their price in writing and
stick to it to avoid surprises down the road. As for quality, are they highly informed regarding the latest construction techniques and are they demonstrated in their homes? Lastly, ask about the standard materials they use and don’t forget to check their references and inspect their work.

5. Warranty and Registration: - Find out if the builder has a strong warranty and who provides the warranty and service. They are typically good for ten years and cover aspects of your home’s structural integrity. Additionally, a builder must be registered in most localities.

2.2.1.4: Factors affecting Consumer Behaviour:
Factors affecting the purchase decision of apartments in metropolitan India-

The real estate sector is important to the Indian economy. In terms of employment generation, it is second only to the agricultural sector. The housing sector contributes nearly 5% to India's GDP. It is expected to rise to 6 per cent in the next five years.

Several new trends have transformed Pune Real Estate market in recent times dramatically changing the way Punekars live and work. Real Estate Industry of Pune started witnessing waves of growth around the late 90's when IT and related companies started setting their base in the city. With bigger names coming here with their business have started booming this place instantly. Great demands for the quality residential spaces and availability of huge land parcel between Punekars have started witnessing trends like integrated township projects during that period. With the changing faze of Pune many developers have come up with the township projects.

Township projects require a minimum of 100 acres of land have made a radical difference to the average Punekar’s lifestyle discovering the pleasures of having everything from shopping complexes to Schools all within walking distances. Townships project has already figured prominently on Pune’s residential real estate landscape in 2012 with the abundant land parcels available in peripheral areas of the city. Residential township offering several advantages over other residential property of Pune. However the buyer should be aware that such properties involve 10-15% premium on account of the added ambience.

As today Pune boast with good residential projects of township and also the other projects in various parts of city. On the eastern side at Hadapsar for instance, Magarpatta City and Amanora Park Town have become destinations in themselves.
Other township in the city includes Megapolis a project at Hinjewadi by Pegasus Properties a joint venture between Kumar Properties and Avinash Bhosale Industries Ltd (ABIL). A township is a larger development with bulletin amenities and a facility in short urbanisation is taking place in Pune and people are moving to outskirts for a better life.

Homes buyers are also attracted to townships because of the quality infrastructure that they offer as compared to the rest of the city. Pune has always been reputed for offering a comfortable, high-quality standard of living to its residents. Such integrated development are beneficial for both home buyers and the developers having the advantage of all their needs met at a single location offering developers a variety of benefit mixed with use constructions, better branding opportunities and a chance to bring in new technologies involving eco-friendly amenities defining the property market in coming years.61

2.2.1.5: Functions of the Builder:
The Role of the Builder: - A lot of people don’t understand the sheer complexity of the builder’s job and the systems required to build a house from scratch.

Many analogies have been used to describe the professional builder: the conductor of an orchestra, the captain of a ship, even a general executing a military campaign. The point is that the builder is the one who must coordinate the innumerable players and products needed to transform a set of two-dimensional drawings into a finished home. The builder has to make sure that everything happens just when it’s supposed to, and that the end result is exactly what the clients envisioned. Ideally, this responsibility begins well before the first shovel breaks ground. One advantage to choosing a builder early in the design process is that the builder can make sure the home can be built in the most efficient and cost-effective manner. Bringing on a builder at this early stage can yield significant cost savings.62

Once the plans are complete, the builder has to work with local zoning and code authorities to secure the proper permits. Professional builders have a thorough understanding of building codes, as well as good working relationships with local authorities. This is another big plus to hiring a pro: the building department is likely to scrutinize more closely a permit application submitted by a homeowner, or even by a small building company, than one submitted by an established professional contractor.
with a reputation for solid management and quality work. Professional builders also have close relationships with quality subcontractors. And because the builder is a source of ongoing work for those contractors, prices offered to the builder will likely be less than prices offered to anyone else.

Solving and preventing problems. A new custom home is an extremely complex undertaking with a million things that can go wrong—and that will go wrong without a skilled and experienced person in the lead. Having a professional builder in charge of solving problems takes a lot of stress off the homeowners. Completing the punch list at the end of the project. Everyone has heard horror stories of unprofessional contractors who left a job with a list of small things undone. The professional builder has the resources to make sure that everything is complete before the key is turned over.

Finally, from start to finish the builder protects the homeowner by carrying the needed licenses and insurance policies and confirming that everyone else on the job is similarly covered. Building a home is not a seat-of-the-pants endeavor. Good builders have well-honed management systems for making it all happen. These systems are an important part of the professional builder’s value.\textsuperscript{63}

\textbf{a) Real estate development, or Property development-} is a multifaceted business, encompassing activities that range from the renovation and re-lease of existing buildings to the purchase of raw land and the sale of improved land or parcels to others. Alternatively, a developer that is also a builder may purchase a property with the plans and permits in place so that they do not have the risk of failing to obtain planning approval and can start construction on the development immediately. Developers work with many different counterparts along each step of this process, including architects, city planners, engineers, surveyors, inspectors, contractors, leasing agents and more.

\textbf{b) Organizing for Development: }A development team can be put together in one of several ways. At one extreme, a large company might include many services, from architecture to engineering. At the other end of the spectrum, a development company might consist of one principal and a few staff who hire or contract with other companies and professionals for each service as needed. Assembling a team of professionals to address the environmental, economic, physical and political issues inherent in a complex development project is critical. A developer's success depends
on the ability to coordinate the completion of a series of interrelated activities efficiently and at the appropriate time.

Development process requires skills of many professionals: architects, landscape architects, civil engineers and site planners to address project design; market consultants to determine demand and a project's economics; attorneys to handle agreements and government approvals; environmental consultants and soils engineers to analyze a site's physical limitations and environmental impacts; surveyors and title companies to provide legal descriptions of a property; and lenders to provide financing. General and sub contractors create the visual results of development.64

2.2.1.6: Conclusion:
The Real Estate sector is important to the Indian economy. In terms of employment generation, it is second only to the agricultural sector. The housing sector contributes nearly 5% to India’s GDP. It is expected to rise to 6 per cent in the next five years. Over the past decade, India has emerged as a leader in the global economy. It is a magnet for foreign direct investment (FDI), and has displaced Mexico as the third most preferred country for direct investment. Many foreign companies are starting or expanding operations in India. The surge in foreign investment, more joint ventures between Indian and foreign companies, and the growth of India’s domestic industries have created more employment opportunities for India’s young, highly educated, professional workforce and fueled the growth of the country’s middle class. Real estate is one of the fastest growing sectors in India.

Several new trends have transformed Pune Real Estate market in recent times dramatically changing the way Punekars live and work. Real Estate Industry of Pune started witnessing waves of growth around the late 90’s when IT and related companies started setting their base in the city. With bigger names coming here with their business have started booming this place instantly. Great demands for the quality residential spaces and availability of huge land parcel between Punekars have started witnessing trends like integrated township projects during that period. With the changing faze of Pune many developers have come up with the township projects. Township projects require a minimum of 100 acres of land have made a radical difference to the average Punekar’s lifestyle discovering the pleasures of having everything from shopping complexes to Schools all within walking distances.
2.2.2: CONSUMERS:

2.2.2.1: Introduction:
Marketers have noticed that there have been key changes occurring in consumer attitudes, especially in the recent past. Not too long ago, debt was viewed as a detested thing by Indian families. But now, Indian consumers have developed a huge change in the attitudes towards debt. Today, it is considered to be perfectly legitimate and an easy way to create assets and aspire for a better lifestyle. This change in consumer attitudes has led to the emergence of a number of very easy credit options. There has also been a shift in the mindset towards rising aspirations and changing attitudes to words lifestyle, recreation and entertainment expenditures. As a result, today a basic product such as a soap or detergent is competing with a credit card, cell phone or digital camera—all of which are bought with the same money.

Added to this is the fact that the market is flooded with an explosion of choices of products with seemingly very little differences between one and the other, which are often not even perceptible to consumers. The result of such imperceptible differences is that, the consumer is confused on which product and brand to select from the wide range of choices. Thus, the urge to motivate the consumer to develop a positive buying behavior towards their brand, has resulted in a vicious spiral of consumer down-trading, price based competition, value destruction, erosion in profit margins at times even leading to the death of the brands.

Successful marketers have realised that the formula for success will be based on how effectively they have identified their customers’ expectations from products and brands and provide the same with a very high value satisfaction level. These marketers are engaged in gauging the behavior of consumers (or customers), identifying the sources, timing and direction of the changes in their behaviour, the emerging new competencies and perspectives ……… all of which will enable them to respond to the changes in the most effective manner.65

i) Customers and Consumers:
The term “Customer” is typically used to refer to someone who regularly purchases from a particular store or company. Thus, a person who shops at A & P or who uses Texaco gasoline is viewed as a customer of these firms. The term “Consumer” more generally refers to anyone engaging in any of the activities used in our definition of
consumer behaviour. Therefore, a customer is defined in terms of a specific firm while a consumer is not.

ii) The Ultimate Consumer:
Our primary attention will be directed toward ultimate consumers, those individuals who purchase for the purpose of individual or household consumption. Some have argued that studying ultimate consumers also reveals much about industrial and intermediate buyers and others involved in purchasing for business firms and institutions. While not denying this, we must recognize that much industrial purchasing behavior is unique because it often involves different buying motives and the influence of a large variety of people. For the sake of simplicity we will focus only on ultimate consumer behavior and will not become involved in drawing comparisons with industrial purchasing situations.

ii) The Individual Buyer:
The most commonly thought of consumer situation is that of an individual making a purchase with little or no influence from others. However, in some cases a number of people can be jointly involved in a purchase decision. For example, planning a vacation or deciding on a new car can involve an entire family. In other cases the purchaser may just be acquiring a product for someone else who has asked for a certain item. These situations suggest that people can take on different roles in what we have defined as consumer behavior.

Some purchase situations involve at least one person in each of these roles, while in other circumstances a single individual can take on several roles at the same time. For example, a wife (initiator or influencer) may ask her husband (buyer) to pick up a box of total cereal on his shopping trip because their child (user) said she wanted it. At another time the husband could act as the initiator, buyer, and user by purchasing a health spa membership for himself.

iv) The Decision Process:
The way in which our definition characterizes “behavior” also deserves special attention. That is, consumer behavior is seen to involve a mental decision process as well as physical activity. The actual act of purchase is just one stage in a series of mental and physical activities that occur during a period of time. Some of these activities precede the actual buying, while others follow it. However, since all are
capable of influencing the adoption of products or services, they will be considered as part of the behavior in which we are interested.

An example will illustrate the benefits of this viewpoint. Suppose a photographer who regularly purchases one brand of film suddenly switches to a competing brand even though there has been no change in either the films or their prices. What has caused this shift in loyalty? Just noting that the individual’s purchase behavior has changed does little to help our understanding of the situation. Perhaps the competing film received a strong recommendation by a friend, or possibly the photographer switched because he believed the competing brand best captures the colors of some subject matter of interest. On the other hand, his decision may have been caused either by general dissatisfaction with results from his regular film or from recent exposure to an advertisement for the competing brand.

v) A Subset of Human Behaviour:
The fact that consumer behavior is a subset of human behavior is to our advantage. Several disciplines collectively referred to as the behavioral sciences have studied human behavior for some time, and we can draw upon their contributions for understanding consumer behavior. This borrowing has been quite extensive and includes theories used in explaining behavior as well as methods useful investigating it. In fact, this borrowing is so extensive that consumer behavior is often said to be multidisciplinary in nature. The behavioral science disciplines that have most contributed to our understanding of consumers are:

1. Psychology. Study of the behavior and mental processes of individuals.
2. Sociology. Study of the collective behavior of people in groups.
3. Social Psychology. Study of how individuals influence and are influenced by groups.
4. Economics. Study of people’s production, exchange, and consumption of goods and Services.
5. Anthropology. Study of people in relation to their culture.⁶⁶

2.2.2.2: The Concept of Consumer Behaviour:

Behaviour is an activity which occurs as a result of stimuli that is aroused for which the response takes place. Behaviour is a mirror in which everyone shows his or her image. Behaviour is the process of responding to stimuli. Consumer behaviour is to
do with the activities of individuals in obtaining and using the goods and services; it encompasses the decision-making process that proceeds and determines purchases.

Consumer behaviour is the subset of human behaviour. That is, factors influencing individuals in their daily lives also influence their purchase activities. Internal influences, such as learning, motives as well as external factors such as social expectations and constraints, affect everyone in their role as consumers as well as in other capacities. In fact, it is very difficult to draw a clear line of demarcation between consumer related behaviour and other aspects of human behaviour. Consumer behaviour stands for all the acts of individuals directly involved in obtaining and using economic goods and services, including the decision-process that proceed and determine these acts. Social scientists, sometimes, used the word ‘behaviour’ to include only overt or observable actions, but it is increasingly recognized that the overt act is only one part of the decision process. Therefore, a realistic analysis of consumer behaviour must include necessarily less observable or convert processes that accompany consumption. Consumer behaviour involves the study not only of what people consume but where, how often, how much, why, when and under what conditions-goods and services are consumed. Consumer behaviour is the behaviour that consumers display in searching for purchasing, using, evaluating and disposing of, if products and services that they expect will satisfy their needs.67

While all consumers are unique; nevertheless, one of the most important constants among all of us, despite our differences, is that we are all consumers. We use or consume on a regular basis food, clothing, shelter, transportation, education, equipment, vacations, necessities, luxuries, services, and even ideas. As consumers, we play a vital role in the health of the economy-local, national, and international. The purchase decisions we make affect the demand for basic raw materials, for transportation, for production, for banking; they affect the employment of workers and the deployment of resources, the success of some industries and the failure of others. In order to succeed in any business, and especially in today’s dynamic and rapidly evolving marketplace, marketers need to know everything they can about consumers-what they want, what they think, how they work, and how they spend their leisure time. They need to understand the personal and group influences that affect consumer decisions and how these decisions are made. And, in these days of ever-
widening media choices, they need to not only identify their target audiences, but they need to know where and how to reach them.

In its broadest sense, the term consumer behavior describes two different kinds of consuming entities: the personal consumer and the organizational consumer. The personal consumer buys goods and services for his or her own use, for the use of the household, or as a gift or a friend. In each of these contexts, the products are bought for final use by individuals, who are referred to as end users or ultimate consumers. The second category of consumer- the organizational consumer-includes profit and not-for-profit businesses, government agencies (local, state, and national), and institutions (e.g. schools, hospitals, and prisons), all of which must buy products, equipment, and services in order to run their organizations. Despite the importance of both categories of consumers-individuals and organizations- this book will focus on the individual consumer, who purchases for his or her own personal use or for household use. End-use consumption is perhaps the most pervasive of all types of consumer behavior, for it involves every individual, of every age and background, in the role of either buyer or user, or both. 68

2.2.2.3: Definitions:
Consumer behavior can be said to be the study of how individuals make decisions on how to spend their available resources (time, money, effort) on various consumption-related items. This simple definition of consumer behavior tells marketers to revolve every activity around the ultimate consumer and gauge their behaviour by specially focusing on:

- Who buys products or services?
- How do they buy products or services?
- Where do they buy them?
- How often do they buy them?
- When do they buy them? and
- How often do they use them?

These questions will help in understanding better, what factors influence the decision making process of the consumers. The decision making process identifies the number of people who are involved in this process and ascribes a role to them-like the user, decider, influencer and buyer. It is believed that consumers or customers make
purchase decisions on the basis of receipt of a small number of selectively chosen pieces of information. Thus it will be very important to understand what and how much information is required by the customer to help him evaluate the goods and services offerings.

Thus, the term consumer behaviour is defined as the behaviour displayed by consumers in searching for, purchasing, using, evaluating and disposing of products and services that they expect will satisfy their needs.

Consumer behaviour may be defined as: …the decision process and physical activity individuals engage in when evaluating, acquiring, using, or disposing of goods and services.

STANDARD DEFINITIONS:

a) Professor Walter C.G and Professor Paul G.W.:
“Consumer behaviour is the process whereby individuals decide whether, what, when, where, how and from whom to purchase goods and services – Consumer behaviour is all the psychological, social and physical behaviour of potential customers as they become aware of, evaluate, purchase, consume and tell others about the products or services”.

b) Professors Leon G Schiffman and Leslie L. Kanuk:
“It is study of how individuals make decisions to spend their available resources – time, money, effort- on consumption-related items. It includes the study of WHAT they buy, WHY they buy it, WHEN they buy it, HOW often they buy it, and how often they USE it”.

c) Engel J.F. Kollat D.T. and Black Well R.D.:
“Consumer behaviour stands for the acts of individuals directly involved in obtaining and using economic goods and services, including the decisions that precede and determine these acts. Consumer behaviour involves the study of not only of what people consume but where, how often, and under what conditions goods and services are consumed”.

d) Professor Alderson W.:
“The study of consumer behaviour is more is the study of consumer buying than the actual consumption”.

e) James F. Engel, Roger D. Blackwilliams Paul W. Miniard:
“Consumer Behaviour refers to the actions and decision process of people who purchase goods and services for personal consumption”.

f) Bearden and Associates:
“Consumer Behaviour refers to the mental and emotional processes and physical activities of people who purchase and use the goods and services to satisfy particular needs and wants”.

g) Engel, Blackwell, Miniard:
“Those actions directly involved in obtaining, consuming and disposing of products and services including the decision processes that precede and follow these actions”.

h) American Marketing Association:
“The dynamic interaction of effect and cognition, behavior and the environment by which human beings conduct the exchange aspects of their lives”.

2.2.2.4: Characteristics:
Consumer behavior is the part of human behavior. This cannot be separated. Human behavior decides what to buy, when to buy etc. This is unpredictable in nature. We cannot say that what an individual is going to do in the next moment. Based on the past behavioral pattern one can at least estimate like the past he might behave.

Consumer behavior is influenced by psychological, social and physical factors. A consumer may be loyal with a product due to its status values. Another may stick with a product due to its economy in price. Understanding these factors by a marketer is crucial before placing the product to the consumers. Consumer behavior is a continuous process as it involves the process starts before the buying and continuing after purchasing. Before buying there will be high confusion and expectations about the product. After buying it, if the buyer is satisfied with the product he shows a positive behaviour, otherwise negative.

2.2.2.5: Factors affecting consumer behavior:
Consumers do not make purchase decisions in a vacuum. Their buying behaviour is influenced by cultural, social, personal and psychological determinants/factors. Most of these factors are ‘uncontrollable’ and beyond the hands of the marketer. Nevertheless, they have to be considered while trying to understand the complex buyer behavior.
(A) **Cultural factors:**

Cultural factors have the deepest influence on consumer behavior.

**1. Culture**

Culture is the most basic fundamental determinant of a person’s wants and behaviour. Right from the time of his birth, a child grows up in a society learning a certain set of values, perceptions, preferences, behaviour and customs, through a process of socialisation involving the family and the other key institutions. Today, we can see that a lot of importance/value is given to success and achievement, efficiency, pragmatism, material comfort, individualism, freedom, etc. All these will have a bearing on a child growing up and will also be seen in his buying behavior.
Marketers are always trying to see if there is a cultural shift and develop products accordingly. Some of the prominent cultural shifts today are:

**a) Leisure time**-
Most of the couples are working and hence seeking more ways to increase leisure time to spend on holidaying and sports. They are interested in the purchase of time saving home appliances and services like washing machines, ovens stay at hotels/resorts, vacuum cleaners, etc.

**b) Health conscious**-
People are becoming health conscious and are getting involved in activities such as exercises, jogging, yoga, eating lighter and more natural food.

**c) Informality**-
People are adapting a more relaxed and informal life style. This can be seen in their choice of clothing, furnishing and entertainment.

2. **Subculture**-
Each culture will contain smaller groups of subculture that provide more specific identification and socialization for its members. In other words, to segment larger societies into smaller sub groups (sub cultures) that are homogeneous in relation to certain customs and ways of behaviour. These subcultural divisions are certain sociocultural and demographic variables like “nationality, religion, geographic locality, caste, age, sex, etc. Each subculture may have certain distinct tastes, preferences and even life styles.

3. **Social class**-
Social class may take the form of a caste system where the members of different castes are reared for certain roles and so cannot change their caste membership. Social class also influences buying behaviour. Social classes show distinct product and brand preferences in purchase decisions related to clothing and jewellery, leisure activity and automobiles. Higher social class, customers may prefer to purchase clothes and accessories for their family from **Westside (GomatiNagar)** at Lucknow, whereas middle social class customers may prefer to shop at Vishalmart retail outlets.

**(B) SOCIAL FACTOR:**
A consumer’s behaviour is also influenced by social factors, such as the consumers’ reference groups, family and social role and status.
1. Reference group-
A person’s reference groups are those groups that have a direct (face to face) or indirect influence on the person’s attitudes or behavior. Groups having direct influence on a person could comprise of people with whom the person interacts on a continuous basis such as family, friends neighbours and colleagues. Sometimes a person may also be directly influenced by some social organizations such as religious organizations, professional associations and trade unions. And, sometimes consumers are also influenced by groups to which they do not belong (aspirational group) or a (dissociative) group whose values or behaviour an individual rejects. A reference group can influence the consumer by introducing him/her to new life styles by influencing the person’s attitudes and self concept because he/she normally desires to “fit in”. Further, the group also creates pressures for conformity to group attitudes and behavior that may affect the person’s actual product/brand choice.

2. Family-
Members of the buyer’s family can exercise a strong influence on the buyer behaviour. Marketers are interested in learning about the roles and relative influence of the husband, wife, children and parents have on the purchase of a large variety product and services. The marketer in interested in knowing which member normally has the greater influence on the purchase of a particular product or service. In a nuclear family, either the husband is more dominant, sometimes the wife is more dominant or they have equal influence. The following observation has been made in most of the cases.

3. Role and status-
A person is a member of many groups-family, clubs, organizations, etc., and his or her position in each group can be defined in terms of role and status.

Say for example: Mrs. Mehta is a senior, marketing executive in a firm and she is planning to purchase a ‘microwave oven’. With her parents, Mrs. Mehta plays the role of a daughter, in her family, she plays the role of a wife and mother, in the organization where she is employed she plays the role of a Senior Marketing Executive. A role consists of the activities that a person is expected to perform according to those who are around them. Each of Mrs. Mehta’s roles will influence some of her buying behaviour. Each role will reflect a status accorded by the society. The role of a senior marketing executive has more status in the society than the role of
a daughter. So, as a senior marketing executive, Mrs. Mehta will buy the kind of clothes that adds dignity to her role and status. But in the role of a daughter, wife or mother, Mrs. Mehta may prefer to wear informal clothes. People often choose products to communicate their status in society.

(C) PERSONAL FACTORS:
A consumer’s purchase decisions are also influenced by personal characteristics namely the buyer’s age and stage of life cycle, occupation, economic circumstances, lifestyle, personality and self concept.

1. Age and Stage of Life cycle-
People’s choice of goods and services changes over their lifetime. This change can be observed right from childhood to maturity especially in taste and preferences related to clothes, furniture and recreation activities.

   The stages of life cycle can be said to be a psychological feeling of a certain transformation taking place as they go through life and experiencing sudden changes in the consumption pattern. For example, in the case of Mrs. Mehta, as a satisfied wife and Sr. marketing executive, she may be moving from being an unsatisfied person searching for a new hobby ‘cooking’. Too much dependence on the ‘cook’ and being served the same type of food daily may have prompted her to try a new way of fulfilling herself. Thus, marketers will always look out for changing consumption interests that could be related to the stage of life cycle.

2. Occupation-
A person’s occupation has a direct effect on his choice of goods and services. A clerk will purchase products which are economical and not burn his pocket. Whereas, a top executive will prefer to purchase expensive products and services. Marketers will have to identify which occupational group will be interested in their products and work out marketing strategies to communicate about their products and service to the relevant occupational group and induce a positive buying motive in the particular consumer segment.

3. Economic circumstances-
A person’s economic circumstances consist of his/her spendable income (amount, stability and time pattern) savings and assets (liquid, movable and immovable) ability to borrow and attitude towards spending versus saving.
In other words, income, savings, credit and assets are the elements of a person’s purchasing power. However, this must be backed by the willingness to buy. With increase in per capita income and improved standard of living, a willingness on the part of the consumer to purchase products, which indicate sophistication, is being noticed. So, the marketer has to do proper market analysis and research and then manufacture, price and promote their products and services, such that it will motivate people to purchase the same.

4. Lifestyle-
“A person’s lifestyle refers to the person’s pattern of living expressed through his/her activities, interests and opinions’ (Also referred to a AIOS)

Lifestyle of a person conveys more than his social class or personality alone. Knowing a person’s social class will help in inferring what the person’s behaviour is likely to be. However, if one fails to see him/her as an individual, similar personality will indicate certain psychological characteristics about the individual but may not throw much light on the person’s interest, opinions or activities. An understanding of a person’s lifestyle will help in giving a profile of a whole person’s pattern of living and interacting with the world.

5. Personality and self concept-
Each person has got a distinctive personality which will influence his/her buying behaviour. Personality maybe defined as, “the person’s distinguishing psychological characteristics that lead to relatively consistent and enduring responses to his/her own environment”.

Personality can be used to analyse consumer behaviour because marketers have seen that there exists a co-relation between personality types and product/brand choices. Some of the traits used to describe a person’s personality are: self confidence, dominance, aggressiveness, achievement, deference, etc.

While on personality, ‘self-concept’ is a related term. It refers to the person’s image of himself or self image. Each person carries a self image of himself/herself and will purchase goods or services that match the self image. If Mrs. Mehta may see herself as a self confident, sociable and achievement oriented woman, she will favour the purchase of a ‘microwave oven’ the brand which will match herself image. Thus marketers have to develop and communicate brand images that will match the self image of the target customers.
D) PSYCHOLOGICAL FACTORS:
For the purpose of understanding consumers’ buying behaviour, four major psychological determinants—motivation, perception, learning and beliefs and attitudes are discussed as under:

1. Motivation can be said to be the inner drive that is sufficiently pressing and directs the person to seek satisfaction of the need. Satisfaction of the need reduces the felt tension. Psychologist, Sigmund Freud had tried to explain motivation. According to him people are generally conscious about the real psychological forces influencing their behaviour. The repressed urges within an individual are never forgotten. They emerge in dreams and are often unknowingly uttered and will be seen in the behavior of the person.

   Mrs. Mehta wants to purchase a microwave oven and may describe her motive as a necessity/hobby. At a deeper level she may be buying an expensive microwave oven to impress others with her cooking talents. At a still deeper level she may be buying the microwave oven to feel carefree and independent from the hassles of being dependent on the cook. Maslow’s theory of needs in another attempt to explain motivation.

2. Perception—
   “Perception is the process of selecting, organizing and interpreting or attaching meaning to events happening in environment”.

   How a motivated person acts will be dependent on how he/she perceives the situation. For example, Mrs. Mehta might consider a fast talking ‘microwave oven’ salesman as an insincere and aggressive person, whereas, another microwave oven purchaser might perceive the same salesman as being helpful and a knowledgeable person. Perception depends not only on the character of the physical stimuli but also on the relation of the stimuli to the surrounding field and on the actions, thoughts, feelings, etc. within the individual. People emerge with different perceptions of the same stimulus because of the three components of the perceptual process: perceptual selection, perceptual organization and perceptual interpretation.

a) Perceived Risk-
Consumer behavior also gets affected by the concept of perceived risk. Any action on the part of the consumer or consumer behaviour to purchase will compete with the numerous alternative uses of the same financial resources. He may face the situation
where the product may not function properly or consequently the consumer may face a lot of criticism for his foolish decision of purchasing the product or the consumer may be uncertain as to which purchase of either product, brand, model, etc.’ will be best suitable to match and satisfy the acceptance level of buying goals.

**b) Attribution process-**

There is also a tendency among individuals to perceive causality or attribute an interrelationship when events occur in chain. Harold H. Kelley has identified four criteria used by individuals to validate the attributions made by them (a) *Distinctiveness/unique quality* (prominently noticed both if present or when absent) (b) *Consistency over time* (the individuals reaction should be the same, each time the thing is present) (c) *Consistency over modality* (even if mode of interaction with the thing varies, the individual’s reaction must be consistent.) (d) *Consensus* (same experience is voiced by all)

**3. Learning-**

When people act, they learn. *Learning describes changes in an individual’s behaviour arising from experience.* Most human behaviour is learned. Learning theorists say that a person’s learning is produced through the interplay of drives, stimuli, cues, responses and reinforcement. Continuing with the above mentioned example, Mrs. Mehta’s drive towards self actualisation becomes a motive when it is directed towards a particular drive reducing stimulus object—here a *microwave oven*. This is influenced by certain cues or minor stimuli like seeing the product microwave oven displayed in a well known showroom, hearing about short term discount and the due encouragement given by the family members. Suppose Mrs. Mehta buys the microwave oven and if the experience is rewarding, the probability is that she will use the microwave oven even more and her response to microwave oven will be reinforced.

**4. Beliefs and Attitudes-**

Through learning, people acquire certain beliefs and attitudes and in turn this influences their buying behaviour.

*A belief is a thought that a person hold about something.* People act based on their beliefs. These beliefs help in building up product and brand images.

An attitude can be said to be a person’s *enduring favourable or favourable cognitive evaluation, emotional feelings, and certain tendencies towards some object*
or idea (Source: Individual in society by David Krech, Richard S Crutchfield and Egerton C, Ballachey). Attitudes make people behave in a fairly consistent way towards similar objects. People do not interpret and react to everything in a fresh way. A person’s various attitudes settle into a coherent pattern and to change, one may require difficult adjustments in many other attitudes. Thus, the marketer should try to link his products into existing attitudes rather than trying to change people’s attitudes.

The above discussions have shown that there are many determinants which act on consumer behaviour. The consumers choice is dependent upon his cultural, social, personal and psychological factors. Very often it becomes very difficult for the marketer to influence all of these factors. However, they will help in identifying consumers who will be more interested in their products or services. So the marketer has to use suitable marketing strategies which will help to attract strong consumer response.71

2.2.2.6: Consumer Buying Roles:
The marketer needs to know what people are involved in the buying decision and what role each person plays. For many products, it is fairly easy to identify the decision maker. For example, men normally choose their own shaving equipment and women choose their own clothes. However, consider the purchase of a family car. The suggestion to buy a new car might come from the oldest child. A friend might advise the family on what kind of car to buy. The husband might choose the make; the wife might select the style and options. The husband and wife might then make the final decision jointly, and the wife might use the car more than her husband.

People might play any of several roles in a buying decision:

- **Initiator**: the person who first suggests or thinks of the idea of buying a particular product or service
- **Influencer**: a person whose views or advice influences the buying decision
- **Decider**: the person who ultimately makes a buying decision or any part of it—whether to buy, what to buy, how to buy, or where to buy
- **Buyer**: the person who makes an actual purchase
- **User**: the person who consumes or uses a product or service

Knowing the main buying participants and the roles they play helps the marketer fine-tune the marketing program. If Chevrolet finds that husbands make buying
decisions for the family minivan, it will direct most of its advertising for these models toward husbands. But Chevy ads will include wives, children, and others who might initiate or influence the buying decision. In addition, Chevrolet will design its minivans with features that meet the needs of all buying decision participants.

2.2.2.7: Types of Buying Decision Behaviour:
Buying behaviour differs greatly for a tube of toothpaste, a tennis racket, an expensive camera, and a new car. More complex decisions usually involve more buying participants and more buyer deliberation. Figure shows types of consumer buying bahaviour based on the degree of buyer involvement and the degree of differences among brands.

i) Complex Buying Behaviour-
Consumers undertake complex buying behavior when they are highly involved in purchase and perceive significant differences among brands. Consumers may be highly involved when the product is expensive, risky, purchased infrequently, and highly self-expensive. Typically, the consumer has much to learn about the product category.

ii) Dissonance-Reducing Buying Behaviour-
Dissonance-reducing buying behavior occurs when consumers are highly involved with an expensive, infrequent, or risky purchase, but see little difference among brands. For example, consumers buying carpeting may face a high-involvement decision because carpeting is expensive and self-expensive. Yet buyers may consider most carpet brands in a given price range to be the same.

iii) Habitual Buying Behaviour-
Habitual buying behaviour occurs under conditions of low consumer involvement and little significant brand difference. For example, take salt. Consumers have little involvement in this product category-they simply go to the store and reach for a brand. If they keep reaching for the same brand, it is out of habit rather than strong brand loyalty. Consumers appear to have low involvement with most low-cost, frequently purchased products.

iv) Variety-Seeking Buying Behaviour-
Consumers undertake variety-seeking buying behaviour in situations characterized by low consumer involvement, but significant perceived brand differences. In such
cases, consumers often do a lot of brand switching. For example, when buying cookies, a consumer may hold some beliefs, choose a cookie brand without much evaluation, then evaluate that brand during consumption. But the next time, the consumer might pick another brand out of boredom or simply to try something different. Brand switching occurs for the sake of variety rather than because of dissatisfaction.72

2.2.2.8: The Buying decision Process: The Five-stage Model:
Marketing scholars have developed a “stage model” of the buying-decision process (See Figure). The consumer passes five stages: problem recognition, information search, evaluation of alternatives, purchase decision, and post purchase behaviour. Clearly, the buying process starts long before the actual purchase and has consequences long afterward.

2.2.2.8.i: Figure:- Five-Stage Model of the Consumer Buying Process:

<table>
<thead>
<tr>
<th>Problem Recognition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information Search</td>
</tr>
<tr>
<td>Evaluation of Alternatives</td>
</tr>
<tr>
<td>Purchase Decision</td>
</tr>
<tr>
<td>Post Purchase Behaviour</td>
</tr>
</tbody>
</table>

(Figure: Philip Kotler, 2009, ‘Marketing Management’, P-159)

Consumers don’t always pass through all five stages in buying a product. They may skip or reverse some. When you buy your regular brand of toothpaste, you go directly from the need for toothpaste to the purchase decision, skipping information search and evaluation. The model in figure provides a good frame of reference, however,
because it captures the full range of considerations that arise when a consumer faces a highly involving new purchase.

1. Problem recognition-
The buying process starts when the buyer recognizes a problem or need triggered by internal or external stimuli. With an internal stimulus, one of the person’s normal needs—hunger, thirst, sex—rises to a threshold level and becomes a drive; or a need can be aroused by an external stimulus. A person may admire a neighbor’s new car or see a television ad for a Hawaiian vacation, which triggers thoughts about the possibility of making a purchase.

2. Information search-
Surprisingly, consumers often search for limited amounts of information. Surveys have shown that for durables, half of all consumers look at only one store, and only 30% look at more than one brand of appliances. We can distinguish attention. At this level a person simply becomes more respective to information about a product. At the next level, the person may enter an active information search: looking for reading material, phoning friends, going online, and visiting stores to learn about the product.

INFORMATION SOURCES major information sources to which consumers will turn fall into four groups:

- Personal. Family, friends, neighbours, acquaintances
- Commercial. Advertising, Web sites, Salespersons, dealers, packaging, displays
- Public. Mass media, consumer-rating organizations
- Experimental. Handling, examining, using the product

The relative amount and influence of these sources vary with the product category and the buyer’s characteristics. Generally speaking, the consumer receives the most information about a product for commercial-marketer-dominated-sources. However, the most effective information often comes from personal sources or public sources that are independent authorities. Each information source performs a different function influencing the buying decision. Commercial sources normally perform an information function, whereas personal sources perform a legitimizing or evaluation function. For example, physicians often learn of new drugs from commercial sources but turn to other doctors for evaluations.
The company must also identify the other brands in the consumers’ choice set so that it can plan the appropriate competitive appeals. In addition, the company should identify the consumers’ information sources and evaluate their relative importance. Asking consumers how they first heard about the brand, what information came later, and the relative importance of the different heard about the brand, what information came later, and the relative importance of the different sources will help the company prepare effective communications for the target market.

3. Evaluation of Alternatives-
How does the consumer process competitive brand information and make a final value judgment? No single process is used by all consumers, or by one consumer in all buying situations. There are several processes, and the most current models see the consumer forming judgments largely on a conscious and rational basis.

Some basic concepts will help us understand consumer evaluation processes:
First, the consumer is trying to satisfy a need. Second, the consumer is looking for certain benefits from the product solution. Third, the consumer sees each product as a bundle of attributes with varying abilities for delivering the benefits sought to satisfy this need. The attributes of interest to buyers vary by product-for example:
1. Hotels-Location, cleanliness, atmosphere, price
2. Mouthwash-color, effectiveness, germ-killing capacity, taste/flavor, price
3. Tires-Safety, tread life, ride quality, price

4. Purchase Decision-
In the evaluation stage, the consumer forms preferences among the brands in the choice set. The consumer may also an intension to buy the most preferred brand. In executing a purchase intension, the consumer may make up to five sub decisions: brand (brand A), dealer (dealer2), quantity (one computer), timing (weekend), and payment method (credit card).

A consumer’s decision to modify, postpone, or avoid a purchase decision is heavily influenced by perceived risk. Consumers may perceive many types of risk in buying and consuming a product:
1. Functional risk-the product does not perform up to expectations.
2. Physical risk-The product poses a threat to the physical well-being or health of the user or others.
3. Financial risk-The product is not worth the price paid.
4. Social risk-The product results in embarrassment from others.
5. Psychological risk-The product affects the mental well-being of the user.
6. Time risk-The failure of the product results in an opportunity cost of finding another satisfactory product.

5. Postpurchase behaviour-
After the purchase, the consumer might experience dissonance that stems from noticing certain disquieting features or hearing favorable things about other brands and will be alert to information that supports his or her decision. Marketing communications should apply beliefs and evaluations that reinforce the consumers’ choice and help him feel good about the brand.

2.2.2.9: Other Theories of Consumer Decision Making:
The consumer decision process may not always develop in a carefully planned fashion. Here are some other theories and approaches to explaining it.

a. Level of Consumer Involvement-
The expectancy-value model assumes a high level of involvement on the part of the consumer. We can define consumer involvement in terms of the level of engagement and active processing the consumer undertakes in responding to a marketing stimulus.

b. Decision Heuristics and Biases-
We’ve seen that consumers don’t always process information or make decision in a deliberate, rational manner. “Marketing Insight: How Consumers Really Make Decisions” highlights some recent advances from the thriving academic study of how consumers make decisions.

Note that marketing managers also may use heuristics and be subject to biases in their decision making. “Marketing Memo: Decision Traps” reveals 10 common mistakes managers make in their decisions.

c. Mental Accounting-
Researchers have found that consumers use mental accounting when they handle their money. Mental accounting refers to the way consumers code, categorize, and evaluate financial outcomes of choices. Formally, it is “the tendency to categorize funds or items of value even though there is no logical basis for the categorization, for example, individuals often segregate their savings into separate accounts to meet...
different goals even though funds from any of the accounts can be applied to any of 
the goals.”

d. Profiling the Customer Buying-Decision Process-
How can marketers learn about the stages in the buying process for their product? 
They can think about how they themselves would act, in the introspective method. 
They can interview a small number of recent purchasers, asking them to recall the 
events leading to their purchase, in the retrospective method. They can use the 
prospective method to locate consumers who plan to buy the product and ask them to 
think out loud about going through the buying process, or they can ask consumers to 
describe the ideal way to buy the product, in the prescriptive method. Each method 
yields a picture of the steps in the process.

Trying to understand the customer’s behavior in connection with a product has 
been called mapping the customer’s consumption system, customer activity cycle, or 
customer scenario. Marketers can do this for such activity clusters as doing laundry, 
preparing for a wedding, or buying a car. Buying a car, for example, includes a whole 
cluster of activities-choosing the car, financing the purchase, buying insurance, 
buying accessories, and so on.  

2.2.2.10: Conclusion:
Consumer behaviour is the subset of human behaviour. That is, factors influencing 
individuals in their daily lives also influence their purchase activities. Internal 
influences, such as learning, motives as well as external factors such as social 
expectations and constraints, affect everyone in their role as consumers as well as in 
other capacities. Today when the market is flooded with many me-too products, it is 
highly imperative that marketers make products to suit the uniqueness and diversity of 
consumers’ tastes and preferences. Consumer behavior can be said to be the study of 
how individuals make decisions on how to spend their available resources (time, 
money, effort) on various consumption related items.

The field of consumer behavior study gained prominence only from the 1960’s 
and has borrowed concepts from related scientific disciplines such as Psychology, 
Sociology, Socio-psychology, Cultural Anthropology and Economics. While 
undertaking consumer research, marketers use a combination of qualitative and 
quantitative research techniques, whereas, academicians are interested in the act of
consumption i.e., post positivism or experimentalism. As per the managerial perspective, the consumer behavior tends to be more micro or cognitive in nature. Whereas, the holistic perspective tends to focus more on the nature of the consumption experience rather than the purchasing process.

The consumer decision making process is greatly influenced by the marketing mix elements which act as cues in inducing a positive customer response. The various factors which can influence consumer behavior can broadly be classified into: a) Cultural factors- culture is the most basic fundamental determinant of a person’s wants and behaviour. Right from the time of his birth, a child grows up in a society learning a certain set of values, perceptions, preferences, behaviour and customs, through a process of socialisation involving the family and the other key institutions. b) Social factors- a consumer’s behaviour is also influenced by social factors, such as the consumers’ reference groups, family and social role and status. c) Personal factors-a consumer’s purchase decisions are also influenced by personal characteristics namely the buyers age and stage of life cycle, occupation, economic circumstances, lifestyle, personality and self concept and d) Psychological factors- for the purpose of understanding consumers’ buying behaviour, four major psychological determinants-motivation, perception, learning and beliefs and attitudes.

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