

## STATUS SEEKING CONSUMERS WITH REFERENCE TO FOUR WHEELER OWNERS IN COIMBATORE CITY

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### ABSTRACT

Customer playing the three distinct roles of user, payer and buyer differ in their intention towards buying a product, some purchase for need, while some purchase for the want of status, status seeking consumers are those who give much importance to the non functional attributes of the product such as beauty, attractiveness, brand, social comparison, prestige etc than the functional attributes. Car a common means of transport is bought by people not only for the transportation purpose, it is also bought for comfort, convenience, fun, prestige/status. Analysis of car consumer behavior gains its own importance for manufacturers by knowing the actual preference, attitude of the consumers and trying to satisfy them and make the best profit out of it. The motive of this research is to analyze one of the most important consumer behaviors with regards to car that is the Status seeking consumer behavior. Analysis is done with the intention to learn the opinions, beliefs of status seeking behavior and also the perceived benefits of the behavior by the respondents with regards to car. The respondents are the salaried people of both the government and private sector in Coimbatore who owns car and they are chosen by the simple random sampling technique with a sample size of 172. One way ANOVA, Correlation and Z test were performed for the data analysis. The findings tell that there is a significant difference between different age groups and gender with regards to opinion, belief and perceived benefits about status consumption and there is no significant difference between different income groups with regards to opinions, beliefs and perceived benefits and also the respondents wish to have a unique kind of car rather than an imitated one. Respondents doesn't think car as a motivating factor while they believe that owning a car is a sign of independence and power.

**KEYWORDS:** Status Seeking, Opinions, Beliefs, Perceived Benefits

### INTRODUCTION

Status seeker is a person who is always looking to improve the social standing beyond what is reasonable or fitting by acquiring more desirable possessions, taking extravagant vacations, joining exclusive organizations and cultivating new and advantageous social connections in order to impress others. A person who is rich and likes to show it, just for social status, The most influential factor among social motives for consumer shopping and purchasing decision is the enveloping desire for social status (Amaldoss & Jain 2005); The desire for better social status can be an important motive for choosing car as a means of transport. The theory of status consumption is used to understand and measure an individual's tendency to purchase goods and services for the status afforded by the products ownership (Eastman and Goldsmith 1999). The extent to which an individual seeks status will influence the extent to which they display and engage in the consumption of status symbols (Eastman and Goldsmith 1999). Independent of both income and social class, Mason (1992) found significant levels of status consumption in communities throughout the world where the usefulness of

products is measured in terms of the social advantage their purchase offered. Veblen (1994 [1899]) suggests those individuals who outwardly display wealth are rewarded with preferential treatment by social contacts. Recent status consumption research supports Veblen's notion adding individual's social networks largely determine status consumption, with status-conscious consumers more socially aware and more interested in social relationships. Status seeking consumers overlook the excessive nature of status products because of the honour these products intrinsically hold and the reputability associated with ownership (Mason 1992). Consumers today have come to regard their possessions as part of themselves and their identity (Belk 1988). To a large degree, they define themselves by what they have and possess. This continual consumption and acquisition of material possessions attempts to differentiate consumers from others in an effort to develop a distinctive self and social image. So status seekers are those who concentrate more on the non functional attributes of the product. Byrne (1999) highlights the perception that the acquisition of material goods is one of the strongest measures of social success and status, indicating that people will be more likely to purchase and display goods than services to show off their success and status.

### **Need for the Study**

Car, once a premium good is a commonly used good these days and the varieties, brand, technologies, innovations in the car keeps on increasing which means there is a great need for the manufacturers and marketers of the four wheeler segment to know the consumer's intention and the role played by the consumers to keep on performing consistently in the market. Car is not only purchased for transportation purpose but also for gaining a kind of status from the society, so it is really meaningful to make a research study of the status seeking behaviour with regards to car, this research helped in knowing the opinions, beliefs and the consumers perceived benefits about the car which is needed by manufacturers and marketers and thereby ultimately it will try to satisfy the four wheeler consumers.

### **Statement of the Problem**

The level of consumer status seeking behaviour is related to the importance of the different values for the consumer. A study is conducted in Coimbatore, India to explore the profile of consumers and the status seeking behaviour.

### **Objectives of the Study**

- To analyse the opinion about status seeking car consumption with regards to gender, age and income.
- To analyse the perceived benefits of status seeking car consumers with regards to gender, age and income.

### **Hypothesis**

- **H<sub>01</sub>**-There is no significant difference among gender with regards to opinions about status seeking.
- **H<sub>02</sub>**-There is no significant difference among gender with regards to perceived benefits about status seeking.
- **H<sub>03</sub>**-There is no significant difference between different age groups with regards to opinions about status seeking.
- **H<sub>04</sub>**-There is no significant difference between different age groups with regards to perceived benefits about status seeking.
- **H<sub>05</sub>**-There is no significant difference between different income groups with regards to opinions about status seeking.
- **H<sub>06</sub>**-There is no significant difference between different income groups with regards to perceived benefits about status seeking.

## REVIEW OF LITERATURE

Chelsey Latteri (et al.,) (2001) analyzed the Gen Y consumers (consumers who born from early 1980's to late 1990's) need for uniqueness and status consumption of Haute Couture brands and found that brand judgments have strongest and significant effect on the purchase intentions and it differs according to the type of consumers need for uniqueness and reveals status seeking consumers are concerned with their peers and use brands to convey their messages

O'Cass Aron and Frost Himly (2002) assessed the relationship of brand associations with consumer behavior, They hypothesized young consumers status consumption as well as conspicuous consumption tendencies towards a brand and their relationship towards the brands familiarity, symbolic characteristics, congruency between brand image and self image and positive feelings towards the brand. They also hypothesized the difference existing between the perceived status of specific clothing brands and specific sun glasses brands. Linear regression was conducted to test the effect of brand familiarity, symbolic characteristics, self and brand image congruency and positive brand feeling on status and conspicuous consumption and they found that there exist significant difference between the brands perceived status and brands symbolic characteristics.

Paurav Shukla (2010) focused on three antecedents of status consumption social psychological antecedents, brand roots, situational roots between British and Indian consumers and found that British consumers applied status consumption to achieve social benefits, show esteem and ostentation behavior, while Indians generally applied status consumption to show off, while British consumers were importantly affected by roots than the Indian consumers and also found that status consumption among Indian consumers is highly dependent on social occasions. Indian consumers are more susceptible to informational, interpersonal influences and Indian consumers being collectivist in nature increasingly look for fitting in behavior, therefore their consumption is highly dependent on social cues and acceptance.

Ranjbarian Bahram (et al.,) (2011) analyzed the relationship between the Iranian University Students ethnocentrism with five consumption variables as need for uniqueness, consumer susceptibility to interpersonal influence, Role relaxed consumption, attention to social comparison information and status consumption from 723 students of university of Isfahan and the results indicated that consumer need for uniqueness, role relaxed consumption, status consumption, attention to social comparison information are all negatively related to ethnocentrism but consumer susceptibility is positively related to ethnocentrism. They have also found out that the Iranian consumers, especially the young ones, dramatically tend to use the foreign products for the sake of prestige/status and they confirmed that status consumption is negatively related to consumer ethnocentrism.

## RESEARCH METHODOLOGY

The research is based on the primary data through a well designed questionnaire and was administered to 250 respondents. Out of the 250 questionnaires, 172 questionnaires were completely responded. The area of the study is in Coimbatore city, India and the salaried people of both the government and private sector was chosen for the study. Five point likert scale was used to measure the items and the questionnaire is divided into two parts, one for knowing the opinions and beliefs and the second to know the perceived benefits of the status seeking consumers. Twelve items were taken into consideration to measure the opinions about status seeking consumption, all those twelve items were undergone a reliability test and the cronbach's alpha was found to be .798. Eight items were taken into consideration to measure the perceived benefits and all those eight items were undergone a reliability test and the cronbach's alpha was found to be .661. Simple random sampling technique was used for collecting the data. One way ANOVA and correlation and z test were used to analyze the data for giving meaningful answer to the stated hypothesis

Data Analysis and Interpretation

Table 1: Status Seeking Consumers Opinion towards Car

Item Scales	Mean	Standard Deviation
It is always good to buy a reputed branded car	3.17	1.451
It is a great idea to buy an imitated version of the luxury branded car	<b>2.89</b>	<b>1.344</b>
buying a second hand luxury car is a great idea	3.35	1.322
it is a great idea to purchase a car which is used by most of the friends/colleagues	3.34	1.374
It is very important to check the promotions/advertisements of the car before purchasing it	3.32	1.367
a car is a product which helps in earning the respect of others	3.42	1.494
possessing the same car for more than 5 yrs is such a boring factor	<b>3.61</b>	<b>1.370</b>
owning an unique kind of car is something very special	<b>3.66</b>	<b>1.290</b>
showing off/bragging about the car to friends/colleagues is a cool idea	3.55	1.303
it is really exciting to be the owner of the car	3.43	1.342
it is natural to make a comparison that someone's car is better than the other	3.36	1.371
it is better to consult friends/colleagues about the car before purchasing it	3.44	1.432

The above Table (1) indicates that the respondents wish to purchase an unique kind of car (mean value – 3.66) rather than an imitated one (mean value 2.89) and the respondents think that it is a boring factor to possess the same car for more than five years (mean value – 3.61).

Table 2: Perceived Benefits among Status Seeking Consumption

Item Scales	Mean	Std. Deviation
owning a car gives an independent and powerful feeling	<b>3.86</b>	<b>1.369</b>
buying an used car which looks closer to a new car will project an image that the person is a owner of a new car	3.55	1.317
driving an imported car is really a royal experience	3.52	1.353
It is a matter of pride and pleasure to drive luxurious car on roads	3.41	1.367
costly car/luxury car actually makes transportation much simpler, faster, better and smoother	3.33	1.368
owning a car helps in getting a life partner/business deal	3.37	1.439
possessing a car is a motivating factor to undergo a job with confidence	<b>2.87</b>	<b>1.419</b>
money helps in bringing happiness through the car	3.45	1.356

From the above Table (2) it can be inferred that the respondents doesn't think car as a motivating factor (mean value -2.87) while they believe that owning a car is a sign of independence and power. (mean value-3.86). To measure the relationship between the variables, correlation test was used. It can be inferred that there is a strong positive correlation between the two main factors of this research study, that is the opinions, beliefs and perceived benefits. The correlation exists between these two variables at 0.05 significant level and the Pearson correlation is .714 and the significance level between these two factors is .000(Table 3.)

Table 3: Interdependence of the Variables

		Age	Gender	Monthly Income	Opinions Beliefs	Perceived Benefits
Age	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	172				
Gender	Pearson Correlation	-.008	1			
	Sig. (2-tailed)	.912				
	N	172	172			
Monthly Income	Pearson Correlation	.015	.146	1		
	Sig. (2-tailed)	.843	.056			
	N	172	172	172		

**Table 3: Contd.,**

Opinions beliefs	Pearson Correlation	.142	<b>.220**</b>	.027	1	
	Sig. (2-tailed)	.063	<b>.004</b>	.725		
	N	172	<b>172</b>	172	172	
Perceived benefits	Pearson Correlation	<b>.198**</b>	<b>.183*</b>	.034	<b>.714**</b>	1
	Sig. (2-tailed)	<b>.009</b>	<b>.016</b>	.657	<b>.000</b>	
	N	<b>172</b>	<b>172</b>	172	<b>172</b>	172
**. Correlation is significant at the 0.01 level (2-tailed).						
*. Correlation is significant at the 0.05 level (2-tailed).						

From this it can be concluded that the two factors opinions, beliefs and perceived benefits are interdependent on each other. There is a positive correlation between opinions, beliefs and gender, The correlation exists between these two variables at 0.05 significant level and the Pearson correlation is .220 and the significance level between these two factors is .004. From this it can be concluded that the two factors opinions, beliefs and gender are interdependent on each other. There is a positive correlation between perceived benefits and gender, The correlation exists between these two variables at 0.05 significant level and the Pearson correlation is .183 and the significance level between these two factors is .016. From this it can be concluded that both the two factors perceived benefits and gender are interdependent on each other. There is a positive correlation between perceived benefits and Age, The correlation exists between these two variables at 0.05 significant level and the Pearson correlation is .198 and the significance level between these two factors is .009.

**TESTING OF HYPOTHESIS**

**Table 4: Significance of Opinions and Perceived Benefits with Regards to Gender at 5 Percent Significance Value**

Hypothesis Statement	Z Test Calculated Value	Significance	Result
<b>H<sub>01</sub></b> -There is no significant difference among gender with regards to opinions.	-3.0018	0.0027	Rejected
<b>H<sub>02</sub></b> -There is no significant difference among gender with regards to perceived benefits	-2.44	0.0147	Rejected

The z test made for the two samples (male and female) indicate that there is a significant difference in the opinion and perceived benefits about status seeking consumption related to gender. 0.0027 is the significance value about opinion related to gender and 0.0147 is the significance value about perceived benefits which tells that there is a significant difference between male and female with regards to opinions as well as Perceived Benefits, both the p values which is below .05 proves that there lies a difference, so the first and second null hypothesis is rejected.

**Table 5: Results of ANOVA TEST**

Hypothesis Statement	F Test Calculated Value	Significance	Result
<b>H<sub>03</sub></b> -There is no significant difference between different age groups with regards to opinions	4.80	.001	Rejected
<b>H<sub>04</sub></b> -There is no significant difference between different age groups with regards to perceived benefits	6.583	.000	Rejected
<b>H<sub>05</sub></b> -There is no significant difference between different income groups with regards to opinions	.064	.938	Accepted
<b>H<sub>06</sub></b> -There is no significant difference between different income groups with regards to perceived benefits	.115	.892	Accepted

It is inferred from the above table that there lies a significant difference between different age groups with

regards to opinions and Perceived benefits, while the opinions and perceived benefits remains the same if different income groups are taken into consideration.

## FINDINGS AND DISCUSSIONS

The overall findings tells that there is a strong interdependence between opinions beliefs and the perceived benefits, which means the perceived benefits of the consumers are based on opinions, beliefs, so the manufacturers and marketers can proceed very well to frame the business strategies by knowing opinions and beliefs of the consumers to satisfy them. There is a significant difference between and within the different age groups with regards to opinions, beliefs and perceived benefits, and it is high between the age group of 55 – 65, so further researches can be done to know what makes this particular group to think differently. There is a significant difference between male and female with regards to opinions, beliefs as well as Perceived Benefits, and this is also an important point to be noted by the marketers while the marketing strategy is framed. While opinions, beliefs and perceived benefits does not differ between various income groups which means that in spite of the income earned the opinions beliefs and perceived benefits remain the same among consumers. Respondents wish to have a unique kind of car rather than an imitated one. Respondents doesn't think car as a motivating factor while they believe that owning a car is a sign of independence and power.

## CONCLUSIONS

Understanding of the consumer behaviour enables a marketer to take marketing decisions which are compatible with its consumer needs. Realizing the importance of four wheeler industry in the present economic situation, the researchers analyzed the opinions beliefs and perceived benefits of the four wheeler. It is rightly said; yesterday's luxuries are today's necessities. Hence in this digital world, car is no longer a luxury. The growth in the population of India and the increasing number of middle class consumers has attracted the attention of car manufacturers and marketers. The manufacturers and marketers who study the behaviour of consumers in-depth and cater to their needs will be successful.

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