

**The Study of Consumer Behaviour with Special Reference to
Business Standard Newspaper.**

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Abstract

Our research paper is based on the study of overall consumer behaviour towards selection of financial newspaper with special reference to Business Standard Newspaper in Pune. The study of consumer behaviour helps organizations in improvisation of their marketing strategies by understanding the consumer's psychology while evaluating different alternatives and selecting the best one available. The study also emphasizes on environmental factors influencing the buying decision. This study helps the firms to know about the customer's needs and provide customized products as desired by the customers thereby leading to customer satisfaction and boost in the sales. This study also focuses on formulation new marketing strategies for increasing the sales and maximization of profits and improvisation or modification of existing strategies used by the business by providing the customers with tailor made products to effectively reach the consumer.

Key words: Business Standards, Consumer Behaviour, Marketing Strategy.

Introduction

Business Standard started in 1975 by the Ananda Bazar Patrika group (ABP news) in Kolkata previously Calcutta, the paper was hived off as a separate company in 1996, and then bought by Mumbai- based financial investors, after which it began a phase of rapid expansion with the launch of new editions. T.N. Ninan has been the editor since 1993, after he moved over from the editorship of The Economic Times. It is published in colour from 12 centres in India - Mumbai (formerly Bombay), New Delhi, Kolkata (formerly Calcutta), Bangalore, Chennai (formerly Madras), Ahmadabad, Hyderabad, Chandigarh, Lucknow, Pune, Kochi and Bhubaneswar. Business Standard is being sold by 226000 copies every day across the country. It circulated in more than 1200 towns across the country. Business standard is published Monday to Saturday from all locations and on Sunday it published from Mumbai, Delhi and Kolkata.

The daily newspaper Business Standard (also available as an e-paper) is the preferred choice of serious business readers. It is published from 12 centres - Mumbai, New Delhi, Kolkata,

Bangalore, Chennai, Ahmadabad, Hyderabad, Chandigarh, Lucknow, Pune, Kochi and Bhubaneswar. A Hindi Business Standard is published from eight centres across northern India: Mumbai, Delhi, Kolkata, Patna, Lucknow, Bhopal, Chandigarh and Raipur. Its content can be accessed at bshindi.com.

Business Standard stands for reporting that stresses accuracy and credibility, comment that is informed, independent and fair, and journalism that is rooted in ethical conduct and defined by a sacrosanct bond with the reader. All Business Standard journalists sign on to a code of conduct that is available on this website.

Business Standard has a 230-person editorial team that is led by A.K. Bhattacharya.

Business Standard's stable of specialist contributors includes some of the sharpest minds writing on economics and business. Among them: Shankar Acharya, former chief economic advisor, Government of India; Deepak Lal, professor of economics, UCLA; Suman Bery, director-general, National Council of Applied Economic Research; Abheek Barua, chief economist of HDFC Bank; Nitin Desai, former chief economic advisor and former under-secretary general at the United Nations; Arvind Subramanian, professor at the Peterson Institute of International Economics; Parthasarathi Shome, former advisor to Finance Minister; and Indira Rajaraman, former member of Finance Commission. It offers syndicated columns from Martin Feldstein and Dani Rodrick, and content from Breakingviews.com--with exclusivity in the Indian market.

In addition to two newspapers, BSL (Business Standard Ltd.) publishes two monthly magazines (Indian Management and Business Standard Motoring), as well as a quarterly (Asian Management Review). The company also has a books division, which publishes books under the BS Books imprint.

BSL's website properties include bshindi.com, bsmotoring.com, and smartinvestor.in. This last is a dedicated information-cum-trading site for investors. BSL is majority-owned by the Kotak Mahindra Group, but is run independently through a board of directors, with T.N. Ninan (a former editor of the newspaper and perhaps India's best known business journalist) as chairman and editorial director

Literature Review

Consumer behaviour: the psychology of marketing (Dr. Lars Perner).

One "official" definition of consumer behaviour is "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society." Although it is not necessary to memorize this definition, it brings

up some useful points: Behaviour occurs either for the individual, or in the context of a group (e.g., friend influence what kinds of clothes a person wears) or an organization (people on the job make decisions as to which products the firm should use).

1. Consumer behaviour involves the use and disposal of products as well as the study of how they are purchased. Product use is often of great interest to the marketer, because this may influence how a product is best positioned or how we can encourage increased consumption. Since many environmental problems result from product disposal (e.g., motor oil being sent into sewage systems to save the recycling fee, or garbage piling up at landfills) this is also an area of interest.
2. Consumer behaviour involves services and ideas as well as tangible products.
3. The impact of consumer behaviour on society is also of relevance. For example, aggressive marketing of high fat foods, or aggressive marketing of easy credit, may have serious repercussions for the national health and economy.

There are four main applications of consumer behaviour

1. The most obvious is for *marketing strategy*—i.e., for making better marketing campaigns. For example, by understanding that consumers are more receptive to food advertising when they are hungry, we learn to schedule snack advertisements late in the afternoon. By understanding that new products are usually initially adopted by a few consumers and only spread later, and then only gradually, to the rest of the population, we learn that (1) companies that introduce new products must be well financed so that they can stay afloat until their products become a commercial success and (2) it is important to please initial customers, since they will in turn influence many subsequent customers' brand choices.
2. A second application is *public policy*. In the 1980s, Accutane, a near miracle cure for acne, was introduced. Unfortunately, Accutane resulted in severe birth defects if taken by pregnant women. Although physicians were instructed to warn their female patients of this, a number still became pregnant while taking the drug. To get consumers' attention, the Federal Drug Administration (FDA) took the step of requiring that very graphic pictures of deformed babies be shown on the medicine containers.
3. *Social marketing* involves getting ideas across to consumers rather than selling something. Marty Fishbein, a marketing professor, went on sabbatical to work for the Centres for Disease Control trying to reduce the incidence of transmission of diseases through illegal drug use. The best solution, obviously, would be if we could get illegal drug users to stop. This, however, was deemed to be infeasible. It was also determined that the practice of sharing needles was too ingrained in the drug culture to be stopped. As

a result, using knowledge of consumer attitudes, Dr. Fishbein created a campaign that encouraged the cleaning of needles in bleach before sharing them, a goal that was believed to be more realistic.

4. As a final benefit, studying consumer behaviour should make us better consumers. Common sense suggests, for example, that if you buy a 64 liquid ounce bottle of laundry detergent, you should pay less per ounce than if you bought two 32 ounce bottles. In practice, however, you often pay a size *premium* by buying the larger quantity. In other words, in this case, knowing this fact will sensitize you to the need to check the unit cost labels to determine if you are *really* getting a bargain.

Consumer behaviour is the mental and emotional processes and the observable behaviour of consumers during searching purchasing and post consumption of a product and service (Batra & Kazmi, 2004). Similarly Engel (et al, 1990) refers consumer behaviour as the action and decision process of people who purchase goods and services for personal consumption.

Now if these defining criteria are closely observed, it is evident that analyzing consumer's decision making process is the foundation of entire notion of consumer behaviour.

In order to develop a framework for the study consumer behaviour it is helpful to begin by considering the evolution of the field of consumer research and the different paradigms of thought that have influenced the discipline. As described in this article, a set of dimensions can be identified in the literature, which can be used to characterize and differentiate the various perspectives on consumer research. It is argued that consumer behaviour itself emerged as a distinct field of study during the 1960s; and is characterized by two broad paradigms, the positivist and the non-positivist. The positivist paradigm encompasses the economic, behavioural, cognitive, motivational/trait/attitudinal, and situational perspectives; these perspectives are referred to as the traditional perspectives as they pre-date the development of the non-positivist paradigm. The positivist paradigm, which is still the dominant paradigm, emphasizes the supremacy of human reason and that there is a single, objective truth that can be discovered by science. This paradigm regards the world as a rational and ordered place with a clearly defined past, present, and future. The assumption of rationalism is therefore fundamental to the traditional perspective. (Source: Author: Moneesha Pachauri)

There are four different views related to consumer decision making process and behaviour (Schiffman & Kanuk, 2004). It is argued that first of them is 'economic view' that consumers are primarily facing imperfect competition and they are always expected to make rational decision on the basis of assumptions that they are aware of all product alternatives, they can

rank benefits and limitation of each alternative and are able to identify one best alternative. Second 'Passive View' is absolutely opposite to economic view and suggests that consumers are irrational and impulsive as they are submissive to self-centred interests of marketers and got influenced by marketing tools. Similarly third, 'Emotional View' is related to perceive consumer's decision making based on their emotional association or feeling about some products and services. For instance, a person loosing red colour specific pen neither go for rational decision by evaluating alternatives nor will the person get influenced by marketer. Fourth and arguably most acknowledged view is 'Cognitive View' where consumers are considered as "thinking problem solver" which are receptive as well as actively searching for the products and services that can fulfil their need. Consumer's behaviour under this view is based on information seeking and processing attributes usually directed by a goal. For instance, buying a tooth paste from shop can have a certain goal of choosing product that can taste good.

Objective of Research

1. To study the criteria used by consumers while choosing financial newspaper and their impact on buying decision.
2. To study and know readership habits of various different target groups of financial newspaper.

Hypothesis of Project Report

Trying to find out best criteria which customer select while purchasing the newspaper, I found ten criteria to be tested. The sample size was 114 and I assumed mean for the acceptance as 30 respondents.

1. Null Hypothesis – (H_0) = The most important criteria in selecting financial newspaper is its supplements.
2. Alternative Hypothesis- (H_1) = The most important criteria in selecting financial newspaper is its Market analysis.

Research Methodology

Type of Research

Descriptive Research

Sampling Design

In statistical usages, the term population is applied to any finite or infinite collection of individuals, so far this project is concerned all the small scale business and existing business daily subscribers are the populations.

Universe/Population 6000 Consumers

Sample Size 114 consumers

As considering the coverage of research researcher takes the sample size as about 114 subscribers of business daily and divides this sample in equal strength to give same weight for all area. It includes students, professionals, salaried employees, self employed people etc.

Sample Unit Students, Professionals, Self-employed, employed.

Sample Area Pune (PCMC)

Research has been carried out in the region of Pune including Urban, Semi-urban and rural area (Pimpri, Chinchwad, Akurdi, Nigdi, Bhosari, kalewadi.)

Target population Manufacturing plants, financial Institutions, CA, etc.

Sampling technique Probability sampling.

Sampling type Simple random sampling

Contact method Personal Schedule.

Data source Primary and secondary data.

Data collection Questionnaires.

Type of Questionnaires Structured and close ended.

Method for Collecting Primary Data

Questionnaire method is selected for the study. The methods opted for collection of primary data was personal interaction of every person. Fieldwork was done taking the sampling frame. The questionnaire results were summated for each category and tabulated.

Method for Collecting Secondary Data

Secondary means of data collection involved searching for related theory and cases in different magazines, journals and newspapers. An important source of secondary information was also provided by the literature given by the company, including its induction manual and other pamphlets and brochures.

Tools of data collection

1. *Interview Method*: In case of personal interview the interviewer collect the information personally from the various departmental head of the various organizations. The interviewer has crossed examine the persons to generate appropriate information.
2. *Questionnaire Method* : This method consist of various question printed or typed in a definite order or set of form. It is free from bias, the answers are in respondent's own words, and adequate time is given to give the answer. The question are generally structured and closed ended.

3 *Observation:* This project report is also suffered by the observation method. Because some time it is also happened when the number of people was not ready to give the relevant information so we used these techniques to collect the information.

Analysis Techniques

1. *Pie Chart*

This is very useful diagram to represent data, which are divided into a number of categories. The diagram pie chart can make comparison among the various components or between a part and a whole of data.

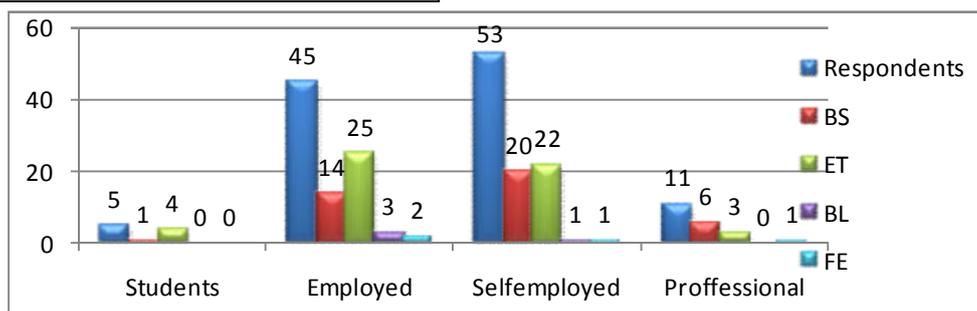
2. *Bar Chart*

As the name implies, It consist of a number of whispered bar, which originated from a common base line and are equal widths, the lengths of the bars are proportional to the value they represent.

Data Analysis

Table 1: Various target groups reading Business Newspaper

Various Target Groups											
	Respondents		BS		ET		BL		FE		
Students	5	4%	1	20%	4	80%	0		0		
Employed	45	40%	14	31%	25	55%	3	7%	2	4%	
Self-employed	53	46%	20	38%	22	41%	1	2%	1	2%	
Professional	11	10%	6	55%	3	27%	0	0%	1	9%	
Total	114 100%										



Graph 1: Various Target Groups

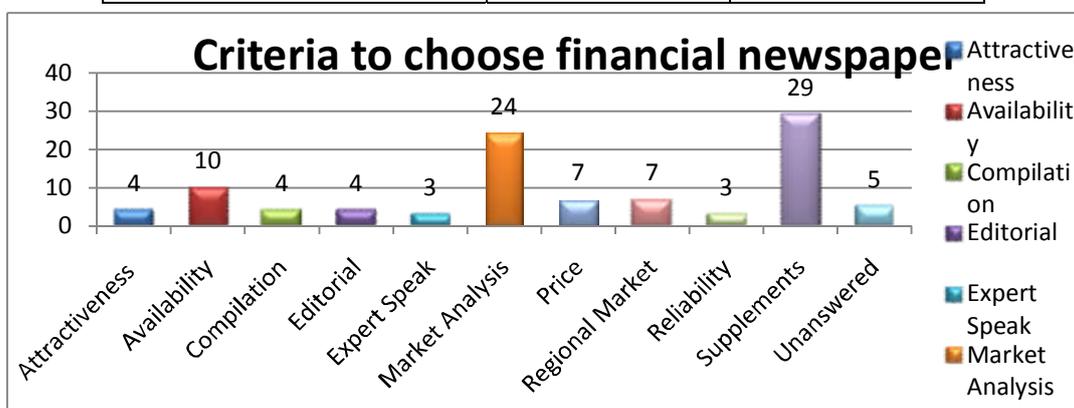
Interpretation 1

Out of the various respondents, only 4% were students, 40% Employed, 46% self employed, and 10% are professional. Among these students only 20 % read BS, and 80% read ET. From employed 31% read BS, 55 % ET, 07% read BL, 4% read FE. From self Employed 38% read

BS, 41% read ET, 2% read BL, and 2% read FE. From Professional 55% read BS, 27% read ET, 9% read FE.

Table 2: Most important criterion when you choose newspaper?

Criteria to choose Financial Newspaper		
Criteria	Response	Percentage
Attractiveness	05	4%
Availability	11	10%
Compilation	05	4%
Editorial	05	4%
Expert speak	03	3%
Market Analysis	26	24%
Price	08	7%
Regional Market	08	7%
Reliability	04	3%
Supplements	33	29%
Unanswered	06	5%
Total	114	100%



Graph 2: Criterion to choose financial newspaper

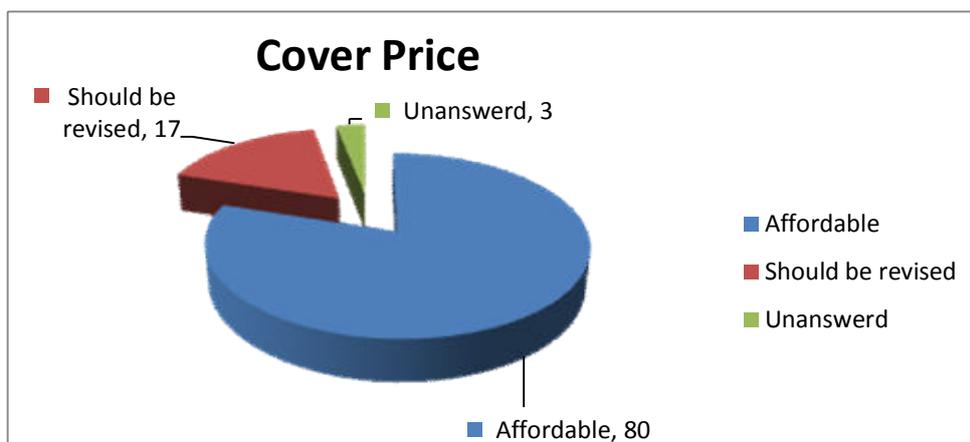
Interpretation 2

Out of various criteria by the customers the most important as seen from the graph above is the “supplements” as 29% of customers look for supplements while buying newspaper which comes along the newspaper, the supplements of the newspaper plays most important role in purchase decision of the customer.

The second most important criterion is market analysis of the stocks market as 24% of customers see while buying paper, the third most important criteria is the availability 10%. Null Hypothesis is accepted as more than average respondent said that they chose supplements of newspaper while purchasing.

Table 3: Cover price of Business standard?
(Price is 3.5/- on regular days, 6/- on weekend)

Cover Price		
Alternative	Responses	Percentage
Affordable	91	80%
Should be revised	19	17%
Unanswered	04	3%
Total	114	100%



Graph 3: Cover Price

Interpretation 3

If we see the affordability of the newspaper 80% says the newspaper is affordable to them when they are getting good quality knowledge. 17% says the price should be revised, and 3% are unanswered.

We have general perception that price of the product plays an important role in the sales volume of that product, it may be true for other product but when it comes to the Newspaper and that to financial newspaper the customer do not think much of price they only want good news content . As per study there were several criteria consumer used while selecting financial newspaper.

Findings

1. The various criteria are Attractiveness, Availability, Compilation, Editorial, Expert speak, Market Analysis, Price, Regional Market, Reliability, and Supplements.
2. Students are least interested in reading financial newspaper.
3. In employed class of customers they see Career and Job related news more.
4. In self Employed category of customers they see news related to their own area of business.
5. Professionals read financial newspaper to gain knowledge and remain updated about the market condition.
6. There is a considerable increase in circulation of Business Standard newspaper, which will increase the sales and the profitability of the company.
7. Most of the customers of financial newspaper are aware about Business Standard in PCMC area.
8. Most of the readers of Business Standard suggest that there should be more news about career growth and job.

Suggestion

1. Business Standard should increase the content of supplements and also introduce new range of supplements as per consumer requirement.
2. The promotion of the Business Standard should base on the supplements.
3. Business Standard should improve the Market analysis.
4. There should be column for management, Chartered accountants, commerce students and efforts should be made to increase popularity among them.
5. Promotional activities should be more aggressive to promote the brand all over the Pune.
6. The brand name Business Standard should come up with intensive ad campaign. For that reason Business Standard should introduce new schemes like discount coupon, road shows etc.
7. It can also target the under graduate student who are preparing for entrance exams and wants to improve their language.
8. Target small firm for the sponsored copy, which help to create awareness about newspaper.
9. The Business standard should include the job or career column.

Conclusion

1. The most important criteria come across in this survey is 'Supplements' of financial newspaper.
2. Consumers see supplements of the financial newspaper while purchasing the newspaper.
3. Supplement of Newspaper plays most important role in selection of Newspaper by consumer.
4. While selection of Newspaper 29% of Consumer looks for Supplement comes along it.
5. There is more awareness of Business Standard in PCMC area but still about 19% didn't hear about Business Standard.
6. Business Standard stands at 2nd position in Readership in PCMC area, about 36% read Business Standard Newspaper, 47% read Economic Times hence stand 1st position and rest FE & BL are far behind.
7. Second most important criterion is "Market analysis"; about 24% of Consumers are looks for market analysis while purchasing newspaper.
8. People want financial newspaper in English Language only because they don't understand financial term in other language, about 85% of consumers prefers English language, Hindi preferred by 6% and Marathi 4%.
9. There are 10% of customers who said that they purchase Newspaper whichever is available with Vender.
10. Price do not play more important role in selection of Newspaper, there are 17% of consumers who are price sensitive.
11. The most popular supplement of BS is "The Strategist" about 52% Consumer liked it.
12. In survey 67% Consumer said that they can rely on Business Standard.
13. There are 83% of Consumers who are benefited by reading Business Standard.
14. 60% of Consumers wants Job Section to be added Business Standard.

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