CUSTOMERS PURCHASING BEHAVIOUR OF PAINTS WITH REFERENCE TO ASIAN PAINTS IN COIMBATORE DISTRICT – EMPIRICAL EVIDENCES

A. Ananda Kumar*; V. Subramanian**; P. Kalairasan Karthik***

*Associate Professor,
Department of Management Studies,
Christ College of Engineering & Technology,
Pondicherry, India.
**Assistant Professor,
Department of Management Studies,
Christ College of Engineering & Technology,
Pondicherry, India.
***Department of Management Studies,
Christ College of Engineering & Technology,
Pondicherry, India.

ABSTRACT

The Customer decision is the selection of an action from two or more alternative choices. Customer decision to purchase the goods from the available alternative choice is known as “Consumer Purchase Decision”. The marketing people should initiate the participants in the purchase decision to make the purchases of the product at different marketing strategies. The study related “Customers Purchasing Behaviour of Paints with reference to Asian Paints in Coimbatore District – Empirical Evidences” is used to study the purchase level of Asian paints customers based on the various factor influences. The data are collected from both primary and secondary sources. The primary data is collected from various customers in Coimbatore district through well-structured questionnaires. A questionnaire consists of questions related to the customer perception towards the purchase behaviour of customers. The main objectives of this study are to analyze the factors that are used to evaluate the customers. The research methodology consists of sample design, sample size, sample technique and pre-testing actions. The study is based on descriptive research and to make Simple Random Sampling without replacement is used for data collection. For analysis and data interpretation various effective tools
are used like Weighted Average Method, Correlation analysis and Chi-square are is used for data collected through questionnaires. Further research is suggested, through theoretical constructs and empirical analysis to further understand regarding customers purchasing behaviour. These approaches will offer valuable insights into future successful marketing.

**KEYWORDS:** customer decision, customer satisfaction, marketing, purchasing behaviour.

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1. **INTRODUCTION**

A decision is the selection of an action from two or more alternative choices. Consumer decision to purchase the goods from the available alternative choice is known as “Consumer Purchase Decision”. The various options of the consumer may be classified into five main types of decisions. They are what to buy, how much to buy, where to buy, when to buy, how to buy. The participants in the buying decisions may be classified as the initiator, influencer, decider, buyer and users. The marketing people should initiate the participants in the purchase decision to make the purchases of the product at different marketing strategies. There are a number of reasons why the study of consumer behaviour developed as a separate discipline. Booth and Shepherd (1988) argued that cultural and economical factors, consumer’s personality, attitudes, values and emotions, affect consumer decision making process regarding food selection. Kotler (1994) identified that consumer buying behaviour is influenced by cultural, social, personal and psychological factors. Steenkamp (1996) identified that biological, psychological and socio-demographic consumers’ characteristics, marketing of the product, economic and cultural environment affect consumers’ purchasing decisions.

Paints are used to make your residences and commercial complexes look better and eye catchy. India houses many different paint companies in the country. The bottom line is you will never run short of options in choosing paints, varnishes and pigments for your awesome exteriors and interiors. A huge market for decorative paints is seen in India. All the stalwarts of the paint companies hence focus on this segment for better perks. On the other hand non decorative paints like automotive paints, industrial coatings and specialty chemicals are ruled by the foreign companies. Before you decide on the type of paint to use, make sure you consider the type of surface, whether it is cemented surface, wood surface or metal surface. Paints are applied with brush, roller or through spraying depending on the application and the kind of output needed. Paint can be applied concentrated or by diluting with water (water based) or by diluting with oil/thinner (oil based). The chemical composition of the paint is determined keeping in mind the desired output, like features, finish, durability etc.

2. **SIGNIFICANCE OF THE STUDY**

The study of customer behaviour is very important to the marketers because it enables them to understand and predict buying behaviour of customers in the marketplace; it is concerned not only with what customers buy, but also with why they buy it, when and where and how they buy it, and how often they buy it, and also how they used and realised it. Customer research is the
methodology used to study customer behaviour; it takes place at every phase of the consumption or used process: before the purchase, during the purchase, and after the purchase. Research shows that different buyers buying same brands with products may have done it for different reasons: paid different prices, used in different ways, have different emotional attachments towards the things and so on.

According to Professor Theodore Levitt of the Harvard Business School, the study of Customer Behaviour is one of the most important in business education, because the purpose of a business is to create and keep customers. Customers are created and maintained through marketing strategies. And the quality of marketing strategies depends on knowing, serving, and influencing consumers. In other words, the success of a business is to achieve organisational objectives, which can be done by the above two methods. This suggests that the knowledge & information about customers is critical for developing successful marketing strategies because it challenges the marketers to think about and analyse the relationship between the customers & marketers, and the customer behaviour & the marketing strategy.

3. A PLATFORM TO UNDERSTAND ABOUT GLOBAL PAINT INDUSTRY

In the past decade, the global paints and coatings demand grew steadily, with an average rise of 5.4% annually. Sales amount reaches to 41.75 million tons, with the sales value of $ 127.3 billion till 2013.

Increased demand for paints and coatings is mainly due to the continued recovery of the global economy and rapid industrialization, and depends largely on the end-user industries it serves, such as steel, automobiles, and furniture and construction industries. In addition, the increasingly stringent system of competition, as well as a unique formulation technology and product development will continue to stimulate growth in the global market. The increase of environmental protection paint has been the most demand recently. With the progress in formulation and technology, there are more and more investments in the field of non-hazardous chemical materials. This trend has led to some raw material rise up greatly in price, such as resins, additives and pigments. Leading international company, such as BASF and Diamond Coatings company, has begun to amortize some ways, that seeing their profits because of the price growth pressures.

From the end-user sectors, architectural coatings business is still dominated by the overall market, next is protection of the marine and general industrial coatings. Architectural coatings accounted for about 40% of industry revenue, product polish (for cars, furniture, etc.) accounted for 25% and 20% of industrial coatings. Compared to the increase in other parts of the industrial activities, industrial coatings will witness a higher growth rate. (Refer to below table 3.1)
TABLE 3.1 PAINTS CLASSIFICATION YIELD ON 2013

<table>
<thead>
<tr>
<th>Classification</th>
<th>Building</th>
<th>Industry</th>
<th>Transportation</th>
<th>Package</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yield on 2013</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Volume (Tons)</td>
<td>16.7</td>
<td>8.35</td>
<td>5.4275</td>
<td>5.01</td>
<td>6.2625</td>
<td>41.75</td>
</tr>
<tr>
<td>Proportion (%)</td>
<td>40%</td>
<td>20%</td>
<td>13%</td>
<td>12%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td>Million</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

From the geographical side, 2013 was the most rapidly growing developing emerging markets, especially the Asia-Pacific region, accounting for 48% of the world. The Asia Pacific Coatings market is mainly to promote economic growth markets including China, India and Indonesia. European representatives of the world's second largest regional market paint, next is North America and Latin America, with the complex rate of 5.1%. (Refer to below table 3.2)

TABLE 3.2 GLOBAL COATINGS SALES IN REGION ON 2013

<table>
<thead>
<tr>
<th>Sales Region</th>
<th>Asia-Pacific</th>
<th>Europe</th>
<th>North America</th>
<th>Latin America</th>
<th>Other</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output (Tons)</td>
<td>20.04</td>
<td>10.02</td>
<td>6.68</td>
<td>3.34</td>
<td>1.67</td>
<td>41.75</td>
</tr>
<tr>
<td>Scale (%)</td>
<td>48%</td>
<td>24%</td>
<td>16%</td>
<td>8%</td>
<td>4%</td>
<td></td>
</tr>
<tr>
<td>Output value (U. S. $)</td>
<td>483.74</td>
<td>369.17</td>
<td>254.60</td>
<td>101.84</td>
<td>63.65</td>
<td>127.3</td>
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<tr>
<td>Scale (%)</td>
<td>38%</td>
<td>29%</td>
<td>20%</td>
<td>8%</td>
<td>5%</td>
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</table>

U.S. paint and coatings manufacturing industry includes about 1,100 companies, total annual sales amount is $22 billion, the largest 50 companies account for about 80 percent of revenue. Some small companies can succeed in a large number of paints and coatings for a variety of applications, including decoration, water resistance, corrosion resistance and great competition. Most factories are medium-sized, 70% of industry revenue comes from having 20-250 employees in factories, the average annual sales of about $ 25 million facility. Large companies include Diamond Paints, Sherwin-Williams, RPM, Valspar, and divisions of DuPont, and PPG. The industry is highly automated; average annual revenue per employee is close to $400,000.
As a whole, 2013 was a year of positive growth industry. Market demand by industrial production and housing market driven. The profitability of individual companies depends on technical expertise and efficient production. The global coatings industry is also reflected in the overall national economy. Asia is still growing, though not strong in previous years, but as strong as the economic challenges being experienced in some European countries. DuPont Performance Coatings Company completed the sale of its business (DPC) to the private equity firm. The Carlyle Group (Carlyle) work; PPG Industries, Inc. completed the North American architectural coatings company Akzo Nobel acquired businesses; Valspar Company completed the acquisition of anti-play Holdings SRL; Nippon Paint will acquire GMBH & CO 39% stake in the German automotive paint manufacturers Bollig & Kemper’s. In the competitive global paints and coatings market, the diamond company, SACAL and RPM International Inc. and etc. reform their technology, also improves the whole coatings industry technology.

Coatings market is growing steadily, also facing challenges at the same time. The main challenges include the threat of environmental regulations and alternatives. Regulatory and environmental issues are driving the pain and coatings industry continually updated. Paint manufacturers increasingly seeking ways to reduce the VOC content of products in the solvent-based paints expenses, waterborne coatings, powder coatings and other high-solids formulations will increase market share. However, some do not have or do not have a sound system in developing VOC, waterborne coatings which trends will be more slowly than the rest of the world. In developed and developing countries, despite continuing efforts to reduce volatile organic compound (VOC) emissions proceed fairly smoothly, but solvent-based coatings will continue to face a decline in market share. So the future coatings market will face even greater challenges and opportunities, through these challenges, time will tell us that these top-ranking paint company, which will rise to the top.

4. A PLATFORM TO UNDERSTAND ABOUT INDIAN PAINT INDUSTRY

India is the seventh largest country and the largest democracy in the world. It is one of the fastest growing economies in the world, second only to China. India is also the second largest paint market in Asia with an annual demand of over two million tonnes, again second only to China. Indian paints demand has been estimated at 2,205,000 tonnes in 2011. Decorative coatings account for nearly 78% of the market in terms of volume and about 70% in value, while automotive coatings, both OEM and refinishes, dominate the industrial segment, followed by high performance protective coatings and powder coatings. Future market growth is expected to be in the order of 11% p.a. overall, with individual segments displaying a broader range of growth rates across the two main segments. Demand for coatings is expected to reach 3,723,500 tonnes in 2016, mainly due to impressive growth in the construction, automotive and electronic appliance (white goods) industries. The Indian paint industry has been historically polarized into the large organized and the smaller unorganized sectors. The organized sector accounts for approximately 65% of the market, and with more global companies entering the Indian market, it is not surprising that it is gaining increasing share at the expense of the unorganized players.
This report covers India’s fast-growing market for paints and coating, segmenting the market into nine mainstream coatings sectors and providing current market data for 2011 plus market forecasts to 2016.

**TABLE 4.1 INDIAN MARKET FOR PAINTS & COATINGS, 2011 (TONNES)**

<table>
<thead>
<tr>
<th>Segment</th>
<th>Market Size (Tonnes)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Decorative Paints</td>
<td>1710000</td>
</tr>
<tr>
<td>Industrial Coatings, of which:</td>
<td>495000</td>
</tr>
<tr>
<td>Industrial wood Coatings</td>
<td>22800</td>
</tr>
<tr>
<td>Marine Paints</td>
<td>5450</td>
</tr>
<tr>
<td>Protective Coatings</td>
<td>61800</td>
</tr>
<tr>
<td>Automotive OEM</td>
<td>118800</td>
</tr>
<tr>
<td>Automotive Refinishes</td>
<td>69300</td>
</tr>
<tr>
<td>Plastic Coatings</td>
<td>14850</td>
</tr>
<tr>
<td>Powder Coatings</td>
<td>64300</td>
</tr>
<tr>
<td>General Industrial Coatings</td>
<td>137700</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2205000</strong></td>
</tr>
</tbody>
</table>
The Indian paint industry has been growing at an average 15% per annum over the last decade. Growth has been consistent with the Indian GDP growth rate and in some years the industry has grown at a rate of 1.5 to 2 times higher than that of GDP growth. Construction remains the key growth sector and is driving demand for decorative and protective coatings. The sector accounts for nearly 45% of the total national investment in infrastructure and the trend is expected to continue in the future. Growth in the Indian car market is strong, at about 10-12% p.a., which is creating good demand for OEM coatings, and vehicle refinishes too in the long term. The refinish segment is enjoying growth in each of the premium, medium and economy sub-segments as a result of rising car ownership across all classes. However, as car ownership is likely to increase at the low end in the future, the greatest growth is to be expected in the economy area. Many paint companies are expanding their operations in India, but the rapid growth of the paint industry, with billions of rupees being invested in enhancing capacities, is causing concern among environmentalists.

### 4.1 TOP 10 PAINT COMPANIES IN INDIA

#### 4.1.1 ASIAN PAINTS

Asian paints preferred by every household in the country. It is perhaps the most popular paint right in the markets. The company was founded by Choski brothers and Suryakant Dani in the year 1942. According to Forbes they are one of the best small companies in India. Revenue: a$1.6 billion to $2 billion and Profit over $150 million. Products and Services: Decorative paints, Industrial Coatings and Ancillaries like wall primer, acrylic wall putty exterior, interior and exterior wall paints etc. Employees: 4000 to 5000.

#### 4.1.2 BERGER PAINTS INDIA LIMITED

Second, most popular paint lover by Indian customers is Berger paints India. The company was founded in 1923 by Louis Steigenberger. Currently Abhijit Roy is the managing director of the company. Revenue: $460 million to $500 million and the profit is $27 million. Products and Services: Paints and chemicals. Products for Industrial users and professional users both like Interior & Exterior wall coatings, metal and wood paints, living green, undercoats etc. Employees: 2300 to 2500.

#### 4.1.3 DULUX PAINTS

The third paint company in our list is Dulux Paints. Dulux paints are basically a painting company owned by AkzonNobel India. The company was founded in the year 1932 and offers a wide variety of products for home and industry use. Revenue: $25 billion to $30 billion of AkzonNobel. Products and Services: Industrial chemicals, decorative paints, refinishing products, coating, exterior and interior paints, wood and metal paints etc. Employees: 3000 to 5000.

#### 4.1.4 JENSON & NICHOLSON LTD

Jenson & Nicholson (I) Ltd is India’s second oldest company founded in the year 1922. John Jenson and Wilfred Nicholson founded these companies. The company was first to launch
plastic emulsion paint under brand Robbialac. Revenue: $500 million to $750 million. Products and Services: Some of the product names are fantasy pearl metallica, special effects natura, safeguard optima, pearl luster finish, etc. Employees: 3000 to 5000 approx.

4.1.5 SHALIMAR PAINTS

The fifth company in our countdown list is Shalimar paints. Shalimar paints are the India’s oldest paint company founded in the year 1902 by AN Turner and AC Wright. It has over 54 branches and depots across the country. Revenue: $56 million to $80 million. Products and Services: an Industrial chemicals, decorative paints, refinishing products, coating, exterior and interior paints, wood and metal paints, visualize, distemper, enamel etc. Employees: 2500 to 3000.

4.1.6 BRITISH PAINTS

A British paint was founded in the year 1919 and came to India in 1947. Actually British paints reentered India in the year 2009 with the name Berger paints. In India it has a network of 45 branches and over 12000 channels. Revenue: $300 million to $500 million. Products and Services: Some of the brands are Glo, Shingar, British, Expa Cool, Acri-Silk etc. Employees: 4000 to 5000.

4.1.7 KANSAI NEROLAC PAINTS LTD

The seventh paint company in our countdown list is Kansai Nerolac Paints Ltd. This paint company was founded in the year 1920 in Mumbai. It has around 5 manufacturing plants in India. Revenue: $360 million to $400 million. Products and Services: Products for Interior and exterior, wood and metals, automotive coatings etc. Employees: 2000 to 2500.

4.1.8 NIPPON PAINTS

Nippon paints are originally a Japanese companies but very popular in India. In India, it is here for more than 5 years. Although it is Asia’s number one paint company, but in India still it is not number one. Revenue: $300 million to $500 million in Indian markets. Products and Services: Industrial chemicals, decorative paints, refinishing products, coating, exterior and interior paints, wood and metal paints. Employees: 3000 to 5000.

4.1.9 AGSAR PAINTS

The ninth paint company in our list in Asgar Paints. It is south India’s largest and leading paint companies placed among top 50 decorative coatings. The company was founded in the year 1974 as Asgar Paints Pvt Ltd. It has over 14 branches. Revenue: $100 million to $200 million. Products and Services: Jantha Distemper, Ranger, Diana Wallputty, Asgarcem, Aluminium Paint, MicroMatt, Ragiemon etc. Employees: 2000 to 3000.

4.1.10 SNOWCEM PAINTS

Snowcem Paints was founded in the year 1959 in Mumbai and one of the India’s leading manufacturer of exterior cement based masonry paint. Revenue: $50 million to $75
million. Products and Services: Paints for cements, liquid paints, Primers like Cemprover, Snowsol, etc. Employees: 1500 to 2000.

5. BACKGROUND STUDY OF ASIAN PAINTS

Asian Paints is India’s largest paint company and Asia’s third largest paint company, with a turnover of Rs 109.70 billion. The group has an enviable reputation in the corporate world for professionalism, fast track growth, and building shareholder equity. Asian Paints operates in 17 countries and has 25 paint manufacturing facilities in the world servicing consumers in over 65 countries. Besides Asian Paints, the group operates around the world through its subsidiaries Berger International Limited, Apco Coatings, SCIB Paints and Taubmans.

Asian Paints was included in Forbes Asia’s ‘Fab 50’ list of Companies in Asia Pacific in 2011, 2012 and 2013. Forbes Global magazine USA ranked Asian Paints among the ‘200 Best Small Companies in the World’ for 2002 and 2003 and presented the 'Best under a Billion' award, to the company. Asian Paints is the only paint company in the world to receive this recognition. Forbes has also ranked Asian Paints among the ‘Best under a Billion companies in Asia’ in 2005, 2006 and 2007.

The company has come a long way since its small beginnings in 1942. Four friends who were willing to take on the world biggest, most famous paint companies operating in India at that time set it up as a partnership firm. Over the course of 25 years Asian Paints became a corporate force and India’s leading paints company. Driven by its strong consumer-focus and innovative spirit, the company has been the market leader in paints since 1967. Today it is double the size of any other paint company in India. Asian Paints manufactures a wide range of paints for Decorative and Industrial use.

In Decorative paints, Asian Paints is present in all the four segments viz Interior Wall Finishes, Exterior Wall Finishes, Enamels and Wood Finishes. It also introduced many innovative concepts in the Indian paint industry like Colour Worlds (Dealer Tinting Systems), Home Solutions (painting solutions Service), Kids World (painting solutions for kid’s room), Colour Next (Prediction of Colour Trends through in-depth research) and Royale Play Special Effect Paints, just to name a few.

Asian Paints has always been ahead when it comes to providing consumer experience. It has set up a Signature Store in Mumbai & Delhi in India, where consumers are educated on colours and how it can change their homes.

Vertical integration has seen it diversify into products such as Phthalic Anhydride and Pentaerythritol, which are used in the paint manufacturing process. Asian Paints also operates through ‘PPG Asian Paints Pvt Ltd’ (50:50 JV between Asian Paints and PPG Inc, USA, one of the largest automotive coatings manufacturer in the world) to service the increasing requirements of the Indian automotive coatings market. Asian Paints has formed another 50:50 JV with PPG named ‘Asian Paints PPG Pvt Ltd’ to service the protective, industrial powder, industrial containers and light industrial coatings markets.
5.1 INTERNATIONAL OPERATIONS

- Contributes about 13% to the group turnover.
- Began by establishing presence in Fiji in 1978.
- Presence in 16 countries spread over 4 regions
  - Middle East
  - Caribbean
  - South Pacific Islands
  - Asia (Includes Sri Lanka, Bangladesh, Nepal and Singapore)
- Among top three in all markets in Decorative paints, except in Singapore.

5.2 REGION-WISE CONTRIBUTION

**FIGURE 5.2.1 FINANCIAL YEAR OF 2013**

* Asia includes Sri Lanka, Nepal, Bangladesh and Singapore Operations

6. STATEMENT OF THE PROBLEM

There are many paint brands available in the market but customers go only selected brand. This highly depends on the behaviour of customers during the purchase of the paints. The customer preference may vary from each other, depending on the factors like product, price, Quality, brand, and Advertisement. These factors in Asian Paints play a key role in ensuring the brand image and long-term credibility of the company.
7. PURPOSE OF THE STUDY

Purchases of paints are issued to customers by several major shops as a marketing strategy to strengthen customer relationship and for that matter the customer loyal buying behaviour. In view of such situation, the researcher wanted to find out which factors possibly influence the buying behaviours of customers with Asian paints.

The main purpose of the study was to find out that the customers are confused to purchase of multiple brands of paints in Coimbatore paint shops, and which factors possibly influence the purchase behaviour of such customers.

8. OBJECTIVES OF THE STUDY

The objectives of the study are as follows:

- To study the purchasing behaviour of Asian paint’s customers in Paint Shop in the study area.
- To identify the factors affecting the purchase behaviour of customers.
- To know the satisfaction level of customers towards Asian Paints products.
- To offer some viable suggestions to the Asian Paints based on the result of the study.

9. RESEARCH METHODOLOGY

“A research design is the specification of methods and procedures for acquiring the information needed. In this study, researcher used Descriptive Research. A research design thus specifies, the type of information required the sources of the information and the methods or techniques of data collection.

9.1 SAMPLE DESIGN

The study uses primary data collected from customers using Asian Paints, 100 customers were selected for the study in Coimbatore District as sample area. In this research, convenience sampling refers to the collection of information from members of the population who are conveniently available to provide it. Convenient sampling is most often used for getting some basic information quickly and efficiently.

9.2 METHODS OF DATA COLLECTION

Both Primary and Secondary data collection methods used in this study. Primary data, as the term indicates, are first-hand data collected by the researcher using Survey method through Questionnaire. Secondary data are data which have already have been gathered by somebody else and are available to other for use. Books, journals, periodicals, reports, thesis, papers presented in the seminars etc are sources of secondary data.
9.3 PRE-TESTING

The questionnaire is prepared for the respondents have been pre-tested by the researchers’ in person. Comments on the question were noted and after careful analysis necessary modification have been made in the questionnaire. Pre-testing was conducted on 12 respondents. The researchers identified three respondents each at Paint Shop randomly in Coimbatore District. In the course of the time, the researcher had experienced some difficulties in getting answers to some of the questions raised and suitable changes have been incorporated before finalizing the well structured questionnaire.

10. DATA ANALYSIS AND INTERPRETATION

In this research work, Weighted-Average method, Correlation Analysis and hypothesis are tested using Chi-Square Analysis.

10.1 WEIGHTED AVERAGE METHOD FOR IDENTIFYING THE MOST INFLUENCING FACTORS TO PURCHASE ASIAN PAINTS

<table>
<thead>
<tr>
<th>RANK</th>
<th>1</th>
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<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
<tr>
<td>Product</td>
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<td>CW</td>
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<td>5</td>
<td>3</td>
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</tr>
</tbody>
</table>
Total of Product of Weight and Value of X

Weighted Average = \frac{\text{Total of Product of Weight and Value of X}}{\text{Total Weights}}

INTERPRETATION

From the above weighted average calculation, it has been inferred that most of the respondent are satisfied with the quality of Asian Paints and it has been ranked as first, most of the respondent are satisfied with the product of Asian Paints and it has been ranked as second, brand of Asian Paints is ranked as third, price of Asian Paints was ranked as fourth, and advertisement was ranked as fifth.

10.2 CORRELATION ANALYSIS FOR IDENTIFYING THE SATISFACTION WITH THE PRICE OF ASIAN PAINTS IS REASONABLE AND THE QUALITY OF ASIAN PRODUCTS WHILE PURCHASING

| Opinion          | Satisfied With The Price Of Asian Paints Is Reasonable | Satisfied With The Quality Of Asian Products While Purchasing It | | |
|------------------|------------------------------------------------------|----------------------------------------------------------------|---|---|---|
|                  | X | Y | X^2 | Y^2 | XY |
| Highly Dissatisfied | 0 | 0 | 0   | 0   | 0  |
| Dissatisfied     | 6 | 0 | 36  | 0   | 0  |
| Moderate         | 18| 10| 324 | 100 | 180|
| Satisfied        | 50| 46| 2500| 2116| 2300|
| Highly Satisfied | 26| 44| 676 | 1936| 1144|
| Total            | ΣX=100 | ΣY=100 | ΣX^2=3536 | ΣY^2=4152 | ΣXY=3624 |

\[ r = \frac{N \Sigma XY - \Sigma X \Sigma Y}{\sqrt{N \Sigma X^2 - (\Sigma X)^2} \sqrt{N \Sigma Y^2 - (\Sigma Y)^2}} \]

\[ = 0.89 \]
INTERPRETATION

According to Correlation if the calculated value is (-1) then it is negatively correlated, if it is (+1) then the attributes are positively correlated and if the value is equal to zero then there is no relation between the attributes. From this table the co-efficient of correlation (r) is calculated and the value is 0.89 (i.e.) it means both the variables are positively correlated. Hence the relationship between the price and quality of Asian Paints is good and the price of Asian Paints is fully depending upon the quality of Asian Paints.

10.3 CHI-SQUARE USED FOR ANALYZING THE INCOME PER MONTH AND CATEGORY OF PRODUCT PURCHASE IN ASIAN PAINTS

NULL HYPOTHESIS (H0): There is no association between income per month and category of product purchase in Asian Paints.

ALTERNATIVE HYPOTHESIS (H1): There is association between income per month and category of product purchase in Asian Paints.

<table>
<thead>
<tr>
<th>Category</th>
<th>Below 15,000</th>
<th>15,001 to 25,000</th>
<th>25,001 to 35,000</th>
<th>Above 35,000</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Luxury Product</td>
<td>4</td>
<td>4</td>
<td>0</td>
<td>14</td>
<td>22</td>
</tr>
<tr>
<td>Premium Product</td>
<td>8</td>
<td>8</td>
<td>6</td>
<td>10</td>
<td>32</td>
</tr>
<tr>
<td>Economy Product</td>
<td>20</td>
<td>16</td>
<td>6</td>
<td>4</td>
<td>46</td>
</tr>
<tr>
<td>TOTAL</td>
<td>32</td>
<td>28</td>
<td>12</td>
<td>28</td>
<td>100</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Oi</th>
<th>Ei</th>
<th>(Oi-Ei)</th>
<th>(Oi-Ei)^2</th>
<th>(Oi-Ei)^2/Ei</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>7</td>
<td>-3</td>
<td>9</td>
<td>1.28</td>
</tr>
<tr>
<td>4</td>
<td>6</td>
<td>-2</td>
<td>4</td>
<td>0.66</td>
</tr>
<tr>
<td>0</td>
<td>3</td>
<td>-3</td>
<td>9</td>
<td>3</td>
</tr>
<tr>
<td>14</td>
<td>6</td>
<td>8</td>
<td>64</td>
<td>10.66</td>
</tr>
<tr>
<td>8</td>
<td>10</td>
<td>-2</td>
<td>4</td>
<td>0.4</td>
</tr>
<tr>
<td>8</td>
<td>9</td>
<td>-1</td>
<td>1</td>
<td>0.11</td>
</tr>
<tr>
<td>6</td>
<td>4</td>
<td>2</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>
\[ \Psi^2 = \frac{(O_i - E_i)^2}{E_i} \]

Therefore the Degree of Freedom (d.f) in this calculation

\[ = (r-1) (c-1) \]

\[ = (3-1) (4-1) \]

Degree of Freedom (d.f) = 6

Calculated value = 25.8

Tabulated value = 12.66

Calculated value (25.8) > Tabulated value (12.66)

**INTERPRETATION**

The calculated value of chi-square test is 25.8 and the table value in degree of freedom 6 at 5% level of significance is 12.66, since the calculated value is greater than the tabulated value, the Null Hypothesis (H0) is rejected and the Alternative Hypothesis (H1) is accepted. Hence, it has been inferred that there is an association between the income per month and category of product purchase in Asian Paints.

**11. FINDINGS FROM THE STUDY**

- 30% of the respondents belong to the age category of below 30 years and between 31 to 40 years, 24% of the respondents belong to the age category of above 50 years and 16% of the respondents belong to the age category of between 41 to 50 years.

- 94% of the respondents are male and 6% of the respondents are female.
In the category of occupation 40% of the respondents are involved in doing business, 36% of the respondents are working as employee, and 12% of the respondents are working as government servant and some other activities.

In the aspect of monthly income 32% of the respondents’ income per month is below 15,000, 28% of the respondents income per month is 15,001 to 25,000, 28% of the respondents income per month is above 35,000 and 12% of the respondents’ income per month is 25,001 to 35,000.

46% of the respondents buy the economy product in the Asian Paints, 32% of the respondents buy the premium product and 22% of the respondents buy the luxury product.

54% of the respondents expect the durability from the Asian Paints, 22% of the respondents expect the smooth finish, 20% of the respondents expect the various designs and 4% of the respondents expect the right color.

Majority of the respondents are satisfied with the Asian Paints. From the weighted average method, it has been inferred that most of them are highly satisfied with the quality of Asian Paints and Product available in the Asian paints same that they are dissatisfied with the advertisement provided by the Asian Paints.

From the Correlation analysis, it has been inferred that most of the respondent are highly satisfied with the price of Asian Paints is reasonable and the quality of Asian products while purchasing it.

Using Chi-Square, it is inferred that there is an association between the income per month and category of product purchase in Asian Paints.

12. SUGGESTIONS AND RECOMMENDATIONS

The following are the suggestions and recommendations based on the findings from the study

- The company shall provide the offer and context to the customers also but the company provides the schemes and offers to the painters alone.
- The company may take proper evaluation regarding the product complaints given by the customers.
- The company can improve the online facilities given for the customers, because they expect more accuracy in the online facilities.
- The company can improve the advertisement aspect because; the concept of the product is not reaching the customers properly.
- The company can concentrate in the durability for all the products produced by the Asian Paints, as they provide the guarantee for luxury products alone.
13. CONCLUSION

The researcher made the research in Asian Paints Ltd. The study was carried out in the topic of purchasing behaviour of customers in paint shop with reference to Asian Paints Ltd in Coimbatore District. This study helps to understand the exact purchase behavior of the customers based on various factors influences. From the study the researcher found that based on the various factors, the customer purchases their product and depending upon the quality of the product, the price may also vary. Most of the customers expect the durability from the Asian Paints.

14. LIMITATION OF STUDY

The study has some limitations need to be acknowledged and addressed regarding the present study

- The study is limited to Asian Paints Ltd, thus this findings cannot be generalized to other paint related companies.
- The study was carried out in Coimbatore district of Tamil Nadu. Thus, its findings cannot be generalized to other area due to variation preferences and customer preferences.
- The study is purely based on the customers’ opinion. The researcher felt that customer might express a biased opinion, which may limit the validity of the study.
- The respondents’ opinion may change from time to time and the responses are subject to variation depending upon the situation and the attitude of the respondents at the time of the survey.

15. DIRECTION FOR FURTHER RESEARCH

This study was done on purchasing behaviour of customers in paint shop with reference to Asian Paints Ltd. The study is conducted in Coimbatore district alone. Only 50 samples have been able to collect as the time duration is not enough. But in future we can extend it by conducting the research in all over Tamil Nadu to know the accurate purchasing behaviour of customers. This study will also useful for other competitive paint companies.

REFERENCES


