

Marketing mix and customer perception towards plastic furniture in Vavuniya District

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Abstract: This study attempts to analyze the impact of marketing mix and buyer's characteristics on consumer perception towards plastic furniture in Vavuniya District. The marketing mix variables such as Product, Price, Place and Promotion were considered as independent variable and consumer perception (Decision making process) was considered as dependent variable. This study utilized One hundred customers, based on divisional secretariats in Vavuniya district from four divisions on the basis of random sampling method. Data were analyzed by using the SPSS 17 Package and percentage analysis to measure to what extent the dimension of marketing mix influence on customer perception of plastic furniture. The overall result of this study indicated that there was a positive relationship observed between marketing mix and consumer perception ($\beta = 0.768$, $p < 0.01$ respectively) and 88 % of consumers agreed that the marketing mix was highly influence on the consumer perception towards plastic furniture in Vavuniya district.

Keywords: Customer perception, Consumer preference, Marketing Mix, Plastic furniture.

Introduction

The rapid changing competitive environment and dramatic innovation in the information technology, customer is the basic cause for existence of any business. Meeting the needs of those customers more effectively than competitors is the key to continued profitable existence for many businesses. Every firm handles the marketing strategies to make the consumers purchase towards their brand. Pride and Ferrell (2000) claims marketing strategy articulates the best use of the firm's resources and tactics to meet its

objectives. Marketing strategy that is flexible and adaptive to changing market circumstances stands a greater chance of being effective in the long-term. Products and consumer perceptions are variable, so changes in strategy may be required to better address customer needs, technological developments, new laws and regulations, and the overall product life-cycle. By monitoring customer perception and preferences toward a product a company can better target its consumers and learn to react to their needs. The perception can create by brand behavior, marketing strategies, buyer's characteristics, and decision-making process. In the modern business world, a number of brands are available in the market. Gary Armstrong and Kotler (1995) state that consumers views a brand as an important part of a product and branding can add value to a product.

Plastic furniture has become an essential part in the life styles of the people. Changing in lifestyle and household composition are affecting the need for home furnishing and prompting various purchases. Many brands of plastic furniture are now available in the market such as Arpico, Damro and Nilkamal in many variety, design, color, price, quality and quantity. So, they are making their choices on the basis of perception and preference. Perception means "a process by which individuals organize and interpret their sensory impression in order to give meaning to their environment" (Robbins, 1999). Of those brands that are considered acceptable, some are preferred over others. Preference leads to some level of commitment as evidenced by a purchase or intention to purchase. Marketers must study their target customers' want, perception, preference, attitude and their buyer's characteristics when analyzing the purchase of any

product. Therefore this study is intended to focus on the customer perception and preference towards plastic furniture in Vavuniya District.

Research Problem

Today, many brands, designs, models, variety, and color in the market which influence in the family choice of furniture. So, consumers confuse in such product of furniture selection with the variety of brand, aesthetics, price of the product, promotion as well the delivery of service. So these factors should be taken by the seller to identify which factor determines the customer perception and preferences toward plastic furniture in Vavuniya district. Based on that the researcher developed the research question **.To what extent the factors (market mix) influence on consumer perception?**

The main objective of this study is intended to focus on the marketing mix and the customer perception towards plastic furniture in Vavuniya District.

Literature Review

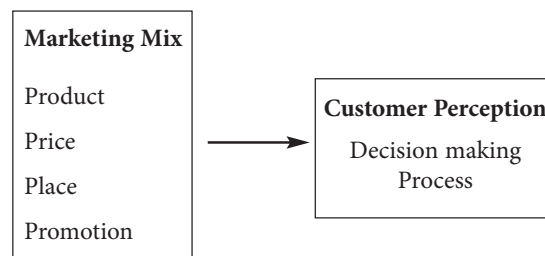
Perception means “a process by which individuals organize and interpret their sensory impression in order to give meaning to their environment” (Robbins, 1999). (Kotler, 2000) defined perception as “the process by which an individual selects, organizes, and interprets information inputs to create a meaningful picture of the world”. Pride and Ferrell (2000) states that People can emerge with different perceptions of the same object because of three perceptual processes: selective attention, selective distortion, and selective retention. (Keller, 2000) states that the power of a brand lies in the minds of consumers, in what they have experienced and learned about the brand over time. According to Schiffman, and Kanuk (2001) just as individuals have perceived images of themselves, they also have perceived images of products and brands. Schiffman and Kanuk (2001) views and Kanuk (2001) views, perception has strategy implications for marketers, because consumers make decisions based on what they perceive, rather than on the basis of objective reality. Every firm handles the marketing strategies to make the consumers purchase towards their brand. Pride and Ferrell (2000) claims marketing

strategy articulates the best use of the firm’s resources and tactics to meet its objectives. When consumers consume a product, he or she gives more priority to brand choice. Kotler and Armstrong (1995) state that consumers views a brand as an important part of a product and branding can add value to a product. Kotler and Lane Keller (2006) define the marketing mix the set of controllable variables and their levels that the Firm uses to influence the target market.

Materials and Methods

The conceptual model was developed based on the research theme and the literature review. It shows the theoretical frame work for marketing mix and customer perception towards plastic furniture. As indicated in the conceptual model the customer perception is considered as dependent variable and customer perception measured through decision making process such as culture income and family size and the marketing mix such as product, price, place and promotion are considered as independent variables. The conceptual model of the present study is illustrated in figure 01.

Figure: 01 Conceptual Model



Source: Kotler, P. (2012).

Key variables

The researchers highlights the marketing mix factors such as product, price, place and promotion which influence most on consumer perception that leads to the consumer decision making process. (Stephen Pettiff 1997) Kotler and Lane Keller (2006) define the marketing mix is the set of controllable variables and their levels that the Firm uses to influence on the target market.

Product embraces product quality, durability Product design, brand name, logo, Packaging, the

product range, after sales services, optional extras, guarantees and warranties etc.

The price of an item plays a powerful role in marketing. Consumers see price more than just the money that the buyer hands over to the seller. The broader view is that the price is the sum of all the values the buyer exchanges for obtaining the product. Thus price is a key variable in communicating to the customer about the value of the product. The shoppers' perceptions of price are regarded to influence their purchase behavior (Miranda and Joshi, 2003). Thus, the lower the price, the more favorable the brand perception.

Place is an effective distribution getting right Products in the right Place at the right time. The movement of goods from production to consumption point is key place therefore its refers distribution channels, distribution coverage, the types of transportation vehicle, location of sales and ware house locations.

Gary Armstong (2002) defined Promotion can influence the consumers at any stage of the consumer buying process. Promotion is the term given to the collection of methods by which an organization attempts to communicate either directly or indirectly with its market. Promotion refers personal selling, advertising, sales promotion and publicity etc.

Kathiyn (1998) examined that the consumers are influenced by various factors in making purchasing decisions with regard to a particular product. Marketers must study their target consumers wants perceptions & preferences. By studying these factors marketers can propose proper marketing strategies with regard to product, price, place, promotion. Hence the present studies analyze the consumers' buying decision for influencing consumer purchasing behavior in Vavuniya District. The high level of consideration of marketing mix by consumers is an essential in consumer perception and preferences. Therefore marketing mix is high influencing the consumer perception and preferences.

Based on the theory and conceptual frame work the following hypotheses were developed.

H0: There is no positive relationship between Marketing mix and Consumer Perception.

H1: There is relationship between Marketing mix and Consumer Perception.

Sample of the Study

A structured questionnaire was designed to collect the primary data. The questionnaire was developed by identifying the variables based on literature review and the objective of the study. One hundred customers were considered as sample in this study. The sample was selected from the basis of random sampling method in Vavuniya District. The questionnaires were issued among the customers of plastic selling outlets in Vavuniya District for the purpose of collecting the data. The questionnaire consists of two parts such as personal information of consumers, Consumer perception and preferences towards plastic furniture in Vavuniya district. The data related with personal information of consumers include age, sex, civil status, occupation, educational level and monthly income and the data related with consumer perception and preferences include the marketing mix of the products and the Decision making processes of the consumers. The questionnaire consisted of 30 questions and the likert scale ranged from 1 (strongly agree) to 5 (strongly disagree) was used to measure a particular statement. Data were analyzed by using the SPSS 17 Package in this study. Percentage analysis and descriptive statistics were used to analyze the data of this study.

Method of Data Evaluation

After the questionnaires were collected, the researcher explored the level of customer perception and preferences towards plastic furniture in Vavuniya District through the marketing mix tool. The dimension of marketing mix includes four variables such as product, price, place, and promotion. The mean value measured from the customers' response to analyze how far the dimensions of marketing mix influence on consumer perception and preference towards plastic furniture. Based on the mean value (X_i) the following decision rule was applied.

Table 1: The ranges of mean value (Xi) were presented as follows:

The range of mean value (Xi)	Decision Rule
0 mean < 2.5	$X_i < 3$ ----- Lower Influence
2.5 < mean < 3.5	$X_i = 3$ ----- Moderate Influence
3.5 < mean < 5	$X_i > 3$ ----- High Influence

Source: Developed for the study

The mean value (Xi) of the aspects and variable falls in the above range then the decision will be as follow.

If,

- $X < 3$ the factor is lower influence on consumer perception and preferences towards plastic furniture.
- $X = 3$ the factor is moderately influence on consumer perception and preferences towards plastic furniture.
- $X > 3$ the factor is high influence on consumer perception and preferences towards plastic furniture.

In order to determine the relationship between the independent and dependent variables the descriptive statistic and correlation coefficient were measured in this study.

Results and Discussions

The correlation value has been computed to find out the relationship between marketing mix and consumer perception toward plastic furniture in Vavuniya District.

Table 02 Descriptive Statistics of marketing mix and customer perception

Concept	Influencing factors	Mean	Standard Deviation
Marketing Mix		H1 0.3888	1.368
	Product	4.273	0.926
	Brand name	3.805	1.020
	Different Size	3.715	0.986
	Color	3.658	0.973
	Different design	5.786	0.289
	Features	4.480	0.879
	Quality	3.768	0.973
	Price	4.258	0.676
	Price	3.678	0.918
	Discount facility	3.553	0.862
	Credit facility	4.564	1.055
	Place	3.512	0.693
	Advertising	3.280	1.038
	Sales promotion	3.255	1.070
	Reputation	3.675	1.027
	Promotion	3.401	0.834
	Sellers recommendation	3.275	2.3402
	Point of sale	3.495	1.0224
	Warrantee	4.219	0.9489
	Transport	3.820	1.0551

Source: Survey data

The result of this study indicated that the consumers in the Vavuniya district more concerned about the value added stuffs of the product mix .The mean value of product is 4.273 ($X_i > 3$) with the standard deviation is 0.926. The mean value obviously indicated that product is high influence on consumer perception. Kotler (2000) suggests that product variable decision, features and related activities are important because they are involved directly with creating products that influence on consumer behavior. So as his point of view the consumer's buying behavior guided by the quality, brand name, different size, special features, the product is very much important.

Price is also considered as an important factor to some extent. The consumers in Vavuniya District mostly considered about price. The mean value of price is 4.258 ($X_i > 3$) with the standard deviation of 0.676. Kotler (1999) states; the amount of money charged for a product or service, or the sum of the values consumer exchange for the benefits of having or using

the product or service. This study also supported with Kotler (1999) research.

Place, which makes it easier in purchasing plastic furniture. The consumers in this district were most considered about place because the mean value of place is 3.512 ($X_i > 3$) with the standard deviation of 0.693. The standard deviation is less than one and that shows a less deviation from the standard. Ferrell (2000) suggests that the place variables are to reach and keep customers, and product must be available at the right time. This variable affects consumer behavior. The major contribution to the place is warrantee, seller's recommendation, and availability. So point of his view, place is high influencing the consumer perception and preference.

At the same time promotion becomes the last marketing mix for the consumers in Vavuniya district. In regard to the promotion, Kotler (1999) states; Promotion is any form of communication used to inform, persuade people about an organization product. Promotion is considered as an important mix in that it ensures the quality discount of plastic furniture. Consumers prefer promotion in order to obtain the sales promotion benefits. The mean value for promotion is 3.401 ($X_i < 3$) with standard deviation of 0.834. Pride & Ferrell (2000) suggests, Promotion can be aimed at increasing public awareness of an organization and of new or existing products. This variable affects consumer behavior. The standard deviation is less than one and that shows a less deviation from the standard. Advertisement is the major contributing factor in promotion. So according to his view, the promotion is lower influence on consumer perception and preference towards plastic furniture.

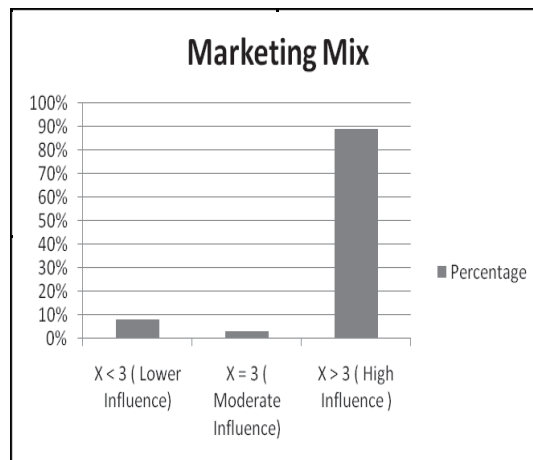
According to this analysis the overall result indicated that how far the dimension of marketing mix influences on the consumer decision making and the levels of percentage were indicated below.

Table 3 Descriptive Statistics of Marketing Mix

Decision	Frequency	Percentage
$X < 3$ (Lower Influence)	9	9.0%
$X = 3$ (Moderate Influence)	3	3.0%
$X > 3$ (High Influence)	88	88.0 %
Total	100	100.0

Source: Survey data

Figure: 2 Marketing Mix influence on customer perception and preferences towards Plastic furniture



Source: Survey data

Among the sample, 88% of consumers agreed the marketing mix was high influencing factor on customer perception and preferences towards plastic furniture in Vavuniya district, 8% of consumer said that the marketing mix was low influenced and 3% of consumers said the marketing mix was influenced at moderate level. It has a mean value of 3.888 with the standard deviation of 1.368 respectively. The major contributing dimensions of marketing mix were product, price and place.

Table 4 Correlation between Marketing Mix and Customer Perception

Concept	Influencing Factors	Correlation with Customer Perception
Marketing Mix	H1	0.768**
	Product	0.678*
	Price	0.565*
	Place	0.321
	Promotion	0.485

Note: *P < 0.05 (one tailed), **P < 0.01 (two tailed)
Source: Survey data

The result of the study indicated that there is positive relationship observed among the four dimensions of marketing mix such as product, price, place and promotional factors and consumer perception of plastic furniture ($\beta = 0.678$, $p < 0.01$, $\beta = 0.565$, $p < 0.01$, $\beta = 0.321$, $p < 0.01$ and $\beta = 0.485$, $p < 0.01$ respectively). The overall result of this study indicated that there is positive relationship observed between marketing mix and consumer perception ($\beta = 0.768$, $p < 0.01$). Therefore, this hypothesis H1 is accepted, because a positive relationship found between the marketing mix and consumer perception. Hence the null hypothesis is rejected.

Conclusion

This research study investigated Customer perception and preferences towards plastic furniture in Vavuniya district. The four dimension of marketing mix such as product, price, place, promotion were considered as the independent variable to determine to what extend these variable influences on the Customer perception and preference toward the plastic furniture in Vavuniya district. The over role correlation value of customer perception on plastic furniture indicated (refers table 4) there was a positive relationship obtained between marketing mix and customer perception on plastic furniture consumption. Based on the decision rule and the analyzed result (refers table 01& 02) the product, price and place factors were highly influence on the customer perception and preferences toward the plastic furniture (mean value $\bar{X}_i > 3$ respectively) rather than the

promotional dimension. The promotional factor was influenced at the low level on the customer perception and preferences towards plastic furniture (mean value $\bar{X}_i < 3$ respectively). According to the percentage analysis 88 % of consumers agreed that the marketing mix was highly influenced on customer perception and preferences towards plastic furniture in Vavuniya district and, 8% of consumer said that the marketing mix was low influenced and 3% of consumers said the marketing mix was influenced at moderate level. As same, durability, attractive color and design and familiar brand name make positive attitudes of plastic furniture. As a place variable availability, easy identification, available near to house, warrantee and vender recommendation are play major role on the purchase of plastic furniture. When make plastic furniture purchase as price variables, consumers give more priority to reasonable price of the product and quantity satisfactory for price paid. Publicly recognized and advertisements has more influence on purchase of plastic furniture as a promotion variables.

Recommendation

The marketing managers must constantly study the marketing environment and find out new opportunities to increase the marketing activities. To achieve the main objectives of this research study is “to identifying the major factoring regarding plastic furniture which determining the consumer perception and preference on Vavuniya district.

Following recommendations were suggested to increase the customer perception and preferences towards the plastic furniture in Vavuniya district. Plastic furniture manufactures should redesign there product in a creative and innovate way to position in consumer mind. Provide mobile service to the consumers who are living out station of Vavuniya town. Increase no of showrooms out stations of Vavuniya town it's stimulate impulse purchasing when consumer see something new or beautiful. Make attractive advertisement continuously in local Channel (broadcast & local TV channel) and find some new ways to increasing their sales through advertisement. Increase the time of repeated advertisement regarding plastic furniture in local media. To increase the

promotional activities specially the furniture commercials. Marketers must introduce some uniqueness into their product. For e.g. make some few modifications over their product features such as quality, style, and shape. The manufacture must increase the warrantee period of plastic furniture. Provide free transport facilities to consumers. Increase the volume of particular brand manufactures must meet changing customer's requirements satisfactorily.

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