A STUDY ON THE SOURCES OF INFORMATION FOR PURCHASE DECISION MAKING WITH REFERENCE TO DECORATIVE PAINTS

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ABSTRACT

BACKGROUND
The consumer decision getting influenced by others, typically called as “influencers”, is mainly due to the limited flow of adequate information. In most cases, the suspect attempts for heuristic decisions taking into account the inputs supplied by others whose information can or may be considered credible for the purpose. Decorative paints is a product category where there are high level of chances that the customers fall into the information that they may rely on from others whom they consider as dependable and trustworthy. The basic cause that leads to such dependency is information asymmetry as the information critical to decision making is vested in different parties involved in the industry at varying levels and the customer has to depend on the sources from where it is adequately available. These sources are selected by the customers based on the credibility perception that the customer assigns as weightage to each sources. Influencers form vested interests in some product purchase which they may attempt to while providing information to others. This is a fact in the context related to the purchase of decorative paints which is concerned as mostly the recommendation from dealers or painters that are sought to finalise the decision. Apart from the fact that consumers are prone to be influenced by recommendation at varying quantum modelled by different sources anchored on the level of credibility attached to the information source available. This is further to the belief that a particular source is accurate and complete comparatively. This paper is an attempt to identify and generalise the influence of asymmetry in information available to paint customers and how this leads to influencer intervention in customer decision making.

KEYWORDS
Information Asymmetry, Decorative Paints, Purchase Decision, Influencers.


BACKGROUND

The consumer decision making getting influenced by others typically called as “influencers” has mainly resulted in imbalanced level of information accumulated at different levels and with different hierarchical orientation in the industry pattern. In most cases, the suspect attempts for heuristic decisions related to the categories and types of decorative paints once the need for paint is recognised. For this the customer may depend heavily on others whose information can or may be considered credible for the purpose. There is a high amount of vested interests among certain influencers with which the recommendations remain biased favouring those products and services to which they have affinity. They ensure the trajectory of the effects of recommendation being influenced favourably to their interest. (Gopal, 2014).

Various literatures have claimed that most customers base their purchase decision on their perceptions and also not much on the social identity. This shows that these factors place less importance when the decision making factors and attributes are concerned. Social status merging with social identity are less considered by most customers related to products they infrequently purchase and because of this the information required to finalise the decision becomes dearer to the consumer and hence rely on other influencers to derive the final opinion and thereby arriving at the final decision. Own perceptions are generated by the consumer and they finally make the opinion not rationally but based on feelings and emotions. (Belen Del Rio, 2001).

Purchase of Decorative Paint

Most paint brands have attained a level of parity which increases the chances for consumers to land in a decision with which they are not completely satisfied leading to a cognitive dissonance related to paints’ purchase at a particular period of time-frame under consideration. Consumers will buy paints quickly as there are few identifiable attribute differentiation between each category and type of decorative paints which leads identifying the choice related or rather depending on the factors like product, price, quality, brand, and advertisement. (Kuma, Subramanian, & Karthik, 2014).

The purchase decision of paint customers who prefer branded paints only are influenced by various factors, which are very different from non-branded paints where price plays very important role in purchase decisions. There are no significant differences in the opinion of respondents on the product in respect of their demographic factors, and price should not be considered as the first factor in the context of customer preference catering to only branded paints (Rao, 2014). Studies and various research findings in this focus have revealed that mostly the consumer’s interaction with the category is on the lower side.
Once painting is done there are minimal chances for customers to maintain a modicum of interest in the category until the house has to be repainted. The buying pattern exhibited in the customer behaviour in the case of paints carry undue importance of intermediary over the end consumer. Mostly in the case of decorative paint buying decision it is the painter or the contractor who makes the final decision of choosing the brand. (Dubey, 1999).

**Influence on different Decision Stages**

At different levels of the decision making related to the paint purchase, it is possible that varying quantum of influences affect the stages in varying results. One reason is that the customers fall prey to the external information which is vested at different levels of the industry players depending upon the advancement of the decision making. These influencing information sources apply differently on different customers who are at a given stage of the decision making in a given period of time.

The reliance on the information sources is mainly to reduce the choices at the total set to a considerable level of preference that the customers can handle suitably to the situation taking into account the relevant attributes and factors of consideration. Thereby the total set is reduced to choice set where the decision is possible without much difficulty. Yet the information available at every level is sought after by the customers to reduce the cognitive dissonance at the final purchase stage.

The need for heuristics applies early in the decision making process even when the customer enters the initial stages of decision making, thus the recommendation receiving attitude is exhibited with a predisposition to positively rely on the available information. The primary choice for recommendation would be the online virtual sources as this seems to be an extension to the self. Customers seldom reveal their incompetency in decision making and rely heavily on the possible sources of information online.

A large amount of information is available to the customers who access online sources, hence the difficulty is simultaneously enlarged as well as made complex where the customer narrows down to the immediate creditworthy sources, as perceived by themselves. Role of relatives and neighbours emerges in this context.

Customers try to reduce the alternatives available for comparative evaluation with the help of inputs, opinions, suggestions and recommendations to generate a preference set of alternative paint products/brands. From this preference set, the customer decides the best value proposition available thus deciding on the paint brand.

The recommendation inputs from the dealer and the painter is evaluated against the final choice and this may have some deviation in respect to branded or non-branded paint products. The general notion of influencer priority vested with dealer and painters need to be evaluated against the priority, credibility and trustworthiness in the current market scenario.

**Credibility of Information Source**

Paint customers derive knowledge from various sources and evaluate the sources based on the self-perceived criteria and thus arrive at the source choice and assign credibility to the information derived from each source. The paint customer generates an opinion in the self-concept and expresses it as own knowledge. Further recommendation from dealers and painters are evaluated against the preconceived notion as these are regarded as the sales influence by the customer mostly. Depending on the complexity of decision and requirement of shortcuts to the final choice the credibility assigned can get compromised perceiving any additional benefits not thought of before.

The paint customer may resort to gaining opinions and recommendations from virtual sources as it is considered as a self-extension and the customer search factors are not exhibited for others. Dealer and painter recommendations are always compared with the self-generated concept about paints and painting arrived at by evaluating the information available from various sources. Customers assign importance to dealer and painter recommendation with a limit to influence themselves to finally arrive at the most appropriate decision of the branded or unbranded paint which carries minimum deviation from the already arrived at value proposition in the mind of the customer.

The information is assigned credibility that is weighted with relative difference, by the paint consumer. Conceptual representation on the flow of information from various sources and the credibility attached to each information flow is represented in figure 1. In this framework, assignment of credibility is weighted using “+” and “—” symbols.

The information from sources of manufacturer is assigned maximum credibility on the basis of manufacturers’ communication on different media. But in due course of time it is nullified to some extent while a purchase decision is made. This is due to several factors like the time the information is delivered and the time it is processed, the variety of options available, the doubt on manufacturers’ claim, the incapacity of the customer to analyse and evaluate the information and other reasons. Thus, the flow of information carries both “+” and “—” symbols indicating a neutral impact.

Whereas the consumer of paint believes in the information provided by the painters much more than relevant information from the manufacturers, hence the credibility attached to information flow from the painter is comparatively higher than the paint manufacturer which is indicated with “+ +”. Paint dealers are considerably influential and the information available from the dealer is the most credible one for customers while the final purchase is made. This is indicated in the framework with “+ + +” representing credibility assigned by the paint consumers.
CONCLUSION
Consumer of paint opines that there is insufficiency and inadequacy of information from the paint manufacturers directly as the communication from paint manufacturers fundamentally exhibits competitive orientation and the most sellable factors or attributes are only highlighted. Getting valuable, sufficient and adequate information from the manufacturer is difficult and is not personalised for individual customer requirements.

Though direct contact options are advertised by the paint manufacturers online and offline, they are insufficient for a reliable information flow as such options are biased and this may create further information crunches. Dealer level communication is found to be more sufficient if the dealer deals in multi-brand portfolio. This multi-brand dealers have comparative information about the purchase and use as well as the customer opinion.

Painter information is collected by the consumer, processed further at the dealer level adding value with the dealer information. This places the painters’ recommendation second in credibility and influencing capacity compared to that to dealer recommendation. Thus, the difference in the information available with different stakeholders in the paint supply chain creates information asymmetry and the result of this is dependency of paint customers to the credible and available information sources.

REFERENCES