**The Changing Demographic Profile of the Middle Class Indian Consumer in a Developing Market and its Manifestations on Buying Behaviour for Wrist Watches – An Analytical Study**

**Abstract**:-

Post-economic reforms of 1991, India's economy has witnessed transformational changes. Economic growth has shown considerable acceleration, which amply reflects in rising disposable incomes and purchasing power. Contemporary Indian consumer shows remarkable signs of maturity from what he was in the 80s and 90s. This is not only supported by his ability to buy but also availability of substantial options present across the board in all goods and services category. Today the Indian consumer stands assertive and well-informed, clear about the choices he makes and why does he do so.

The proposed research study attempts to study the Watch Market in India from a macro and a micro perspective. The macro study endeavors to understand the changing demographic profile of the Indian consumer market and its manifestations on buyer behavior for watches. The micro perspective outlines specific market strategies adopted by watch vendors and their take on evolving watch markets in the country. The research work is based in Pune city which epitomizes emerging India. It is among the largest metropolitan economy in the country with one of the highest per capita income earning populous. One of the most vibrant markets in Western India, it stands out as extremely attractive for any goods and services provider.

**Key words**

Mall (Organised retail), watch (wrist watch), women's satisfaction, Ornament, Style statement

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# 1.    Introduction

Exemplified by various languages, regions, religions, economic and social status, Indian consumer market has always been a tricky pitch to comprehend by global business players. An ascendance as an economic power over the last two decades, supported by paradigm shifts in market demographics and purchasing power, has, further, forced the world to unravel the mystery called India.

In a global economic environment where economies are struggling to post a positive growth rate, the economy of India boasts of 8.5% growth in 2010-11 and looks to sustain with a projected 9% in the current fiscal[i]. The rapid economic growth reflects in increasing business and employment opportunities. As the benefits trickle down and spread in the economy, disposable incomes accelerate.

This growth story becomes almost magical when seen with a backdrop of a country with over 1.21 billion people and a median age of 26.2 years[ii]. On the threshold of exploiting the benefits of demographic dividend, as the rest of the world faces the challenges of an ageing population, India is one market that has become impossible to dismiss.

This global attention is inevitable not just because of guaranteed purchase volumes but also because of the tectonic swing in the basic character of demand and consumer behavior. Urbanization and an aspiration for a better life supported by higher incomes are reshaping the Indian consumer market. The consequence of this is the emerging Indian consumer who is more astute than ever, eager to place his riches on brand, quality and convenience and willing to explore and experiment. The National Council of Applied Economic Research (NCAER), a premier centre for research in the country, forecasts that the number of consumers driving growth in India will grow from 46 million households in 2003 to 124 million households in 2012.

Recent consumer surveys done by the Nielsen Company support this line of thought. Their research work shows that consumers in most countries, globally, look set to keep a tight grip on spending in coming months as they worry about economic conditions and job security. Contrary to this the Indian consumer was pegged with a confidence index of 126, higher than the global score of 89, where a score of above 100 is indicative of optimism and less than 100 indicative of

pessimism. The report adds that the Indian consumer has remained the most positive about job prospects and personal finances and has consistently reported the highest consumer confidence score since the company began consumer confidence tracking in 2005[iii].

Growing economy and rising consumerism endorses itself in the Indian Watch Market also. The market more than mirrors the radical transformation of consumer markets in India as well as the promising future held by the strong fundamentals of a robust economy. "The Indian Watch Industry 2011", a white paper, prepared by the apex timewear industry association in India, the All India Federation of Horological Industries (AIFHI) along with Technopak Advisor, released in January this year, reveals that factors like growing economy, increasing consumerism and favorable demographics hold phenomenal prospects for timewear products in the Indian consumer markets.

The watch and clock industry has been a market with great longevity throughout the years, as these timepieces have always been needed and in demand by consumers. Though Switzerland is often touted as the leader in the watch and clock industry globally, many other countries also produce these sorts. Several Indian watch manufacturers have global ambition in today's globalised, modernized and economically stable and strong country.

# Forces Transforming Indian Watch Industry

**Brands 'Titan' and 'Sonata'**

**2. More global and local players**

- Significant increase in competition in all segments
  - Luxury end : Swiss brands
  - Mid to upper end : Global fashion/ Japanese brands
  - Low end : Local/regional IMFQs, Chinese imports

- Exploring new brand for luxury segment
- Licensing: Tommy Hilfiger watches

**1. Shift in structure of demand**

- Volume growth driven by the low end
- Value growth driven by luxury segment

**Dramatic Transformation of the Indian watch market**

**3. Emergence of distinct consumer segments**

- Sharply defined consumer segments around distinct buying factors
- More awareness of brands and global trends among affluent urban consumers

**Dominant retail presence: 'World of Titan' Showrooms, TimeZones**

**4. Emergence of new channels**

- New retail outlets emerging (Dept. stores/malls)
- Existing outlets (MBOs) getting smarter looking
- Unorganised retail at low-end
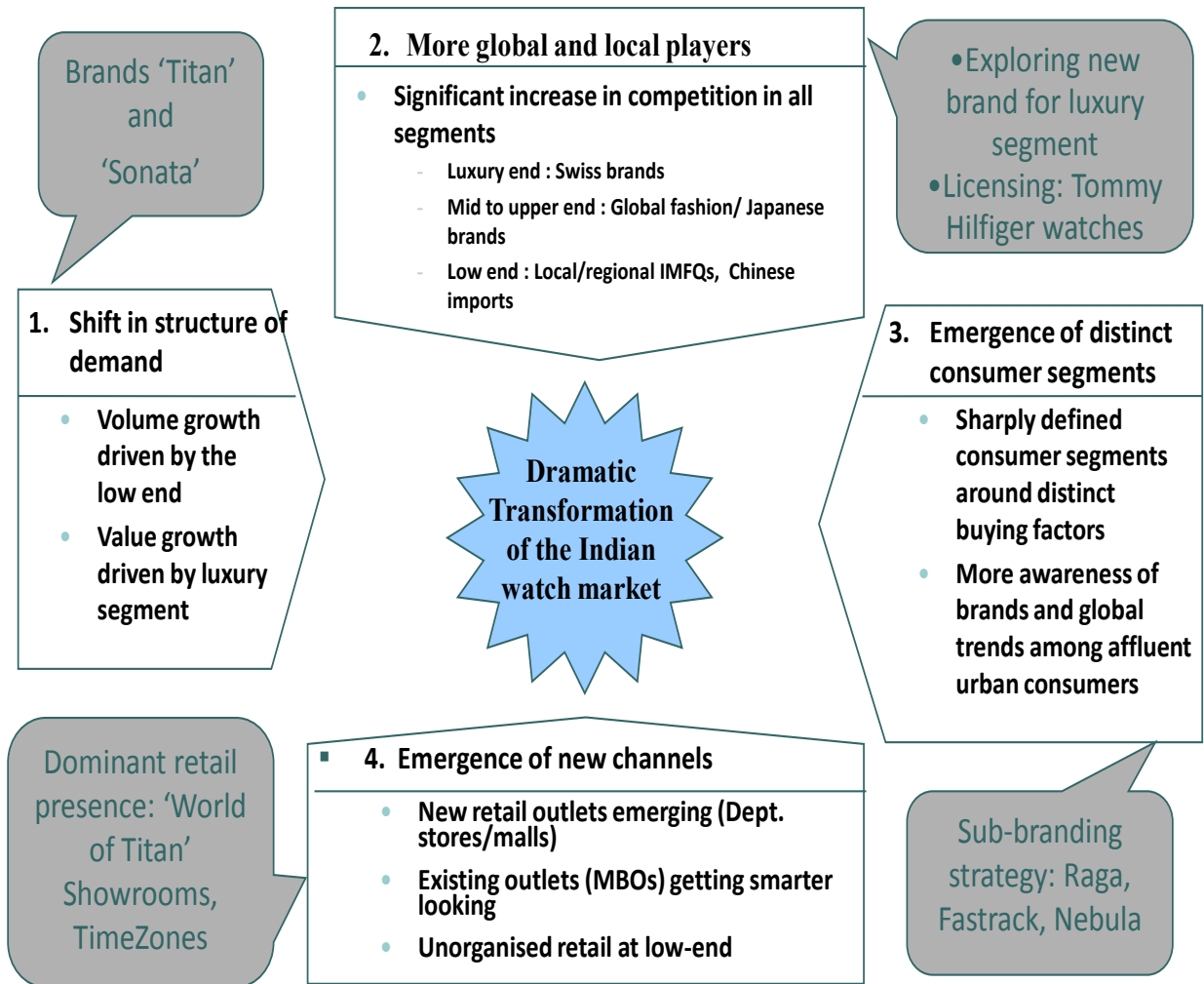
**Sub-branding strategy: Raga, Fastrack, Nebula**

Fig 1.1

According to the publication, the current size of watch market in India is about $ 40-42 Billion. While the sector has seen a growth of 8-10% in the last few years, it is set to more than double in the next five years to around $ 85 billion growing at 10-15% every year. The study also highlights the gradual transformation of watches in India, from time keeping devices to a fashion accessory.

This research study attempts to study this changing perception and preferences of the Indian consumer towards wrist watches as the market readies to offer a plethora of opportunity to domestic and international marketers. It outlines consumer likings and purchase patterns as watch vendors evolve product and promotion strategy in dynamic market conditions. The

research work is based in Pune city which epitomizes emerging India. It is among the largest metropolitan economy in the country with one of the highest per capita income earning populous. One of the most vibrant markets in Western India, it stands out as extremely attractive for any goods and services provider.

**<u>Research Questions and Problem Statement</u>**

Understanding consumer psyche is at the core of a successful business model and strategy, certainly so in case of Indian consumer markets which have diversity and dynamism allied with it. To gain useful insights into consumer perception and preferences for wrist watches the study finds its premise from the following research questions –

a. What is the fastest way people check time?
b. What do people look for in a watch?
c. What is the variation in consumer preferences and buying behavior with respect to gender, age and geographical location?
d. What factors determine purchasing pattern?
e. What aesthetics, in terms of dial color, strap type, dial shape etc., are popular among watch buyers?
f. What does a watch make a consumer feel in terms of class and confidence?
g. What are watches preferred for – time keeping devices or trendy accessories?
h. Where do people prefer to buy watches from the existing points of purchases?
i. What is people's acceptance of international watch brands?

The primary research problem of the study encompasses the above research questions and, broadly, aims to understand the consumer perception and behavioral patterns about wrist watches in India.

## 2. Objectives of the Study

The study aims to –

a. Understand the evolution of Indian consumer market in terms of changing demographics and purchasing power.

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b. Appraise the progression of watch market in India with the backdrop of an economy espousing to become one of the largest and most vibrant in the world

c. Apply these macro developments to evaluate buyer behavior for watches as well as comprehend perceptual dynamics towards watch as time-keeping devices.

d. Draw out insights into prospective strategic approach and intent for watch vendors looking at destination India

e. Explore potential challenges in the future.

## 3. Conceptual Frame work

Transformational changes in consumer demographics along with liberalization and globalization of marketing landscape invariably attracts strategic responses from marketers in all product categories. This research work in the time wear industry is likely to give useful insights to watch vendors in four important areas –

a. Consumer tastes and preferences for wrist watches in India
b. Market trends
c. Marketing strategy formulation
d. Consumer marketing environment



Fig 1.2 : The Indian Watch Market

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## 4.    Literature Review

Wrist Watches form an integral part of the personality of individuals in the present era. Earlier seen as a luxury item, they are now witnessing a fundamental change in perception, and are now gaining respect as an essential utility item. For the watch industry, time seems in its favor what with the liberalization of the Indian market coupled with the rising purchasing power of the young and consumerist Indians. Asia-Pacific remains the fastest growing regional market, with dollar sales of watches and clocks waxing at CAGR of about 3.6% and 4.2% respectively over the analysis period. By product, Luxury watches remains the largest segment in the global watches market. Mass-priced watches represents the fastest growing watches segment, waxing at a CAGR of about 2.6% over the analysis period [7].

## INDIAN WATCH INDUSTRY – IMPORTANT LANDMARKS

- 1960: Indian Watch Industry came into being.  Govt. took the decision to set up the country's first watch factory

- 1961: HMT set up India's first watch factory at Bangalore in collaboration with Citizen of Japan

- 1981: Hyderabad Allwyn Limited entered the watch industry in collaboration with Seiko of Japan

- 1984: The beginning of a new era - entry of Titan, the Tata –TIDCO joint sector company

- 1990: Timex enters the Indian market in partnership with Titan, targeting the lower price segment

- 1997: Timex breaks away from Titan - increasing the already fierce competition

Indian watches market was for long dominated by public sector organizations like Hindustan Machine Tools Ltd. (HMT) and Allwyn (also famous for its refrigerators once upon a time!), and has now left the pioneers far behind or nowhere in market by private sector enterprises like Titan, Sonata, Ajanta and Timex along with foreign entities jostling for display space in the smallest of shops selling these products.

Before the establishment of HMT as the dominant player in the Indian markets initially, the country was solely dependent on imports to meet the internal demand. However, establishment of HMT as the leading player in the wrist watch segment in the 1960's, changed the scenario.

In post liberalization India, the market stood to witness intensive competition between foreign and Indian manufacturers like Timex, Titan, Movado, Longines, Rado, Rolex, Fréderique Constant, Mont Blanc, Swatch, and many others. Many watch makers have made significant inroads in the industry and others are in the process of establishing themselves, currently.

Besides this, buyers are extremely choosy about the brand and type of wrist watches they wear. Being extremely brand conscious, their tastes have evolved over the years and have gone beyond the realms of durability to choose in terms of aesthetics and elegance. Thus it is a buyers' market with multitude of designs that have entered and flooded the market place.

## Watch Market Map

**Formal/Classic**

Omega, Rado, Longines

Raymond Weil Tissot

Nebula

Sonata, HMT, Maxima

Titan        Citizen

XYLYS

**Price**

| 500 | 1000 | 2000 | 4000 | 5000 | 10000 | 20,000 + |

Timex

Fastrack

Espirit, Swatch    Fossil
Giordano,             DKNY,
Carrera
Tommy Hilfiger, Accent
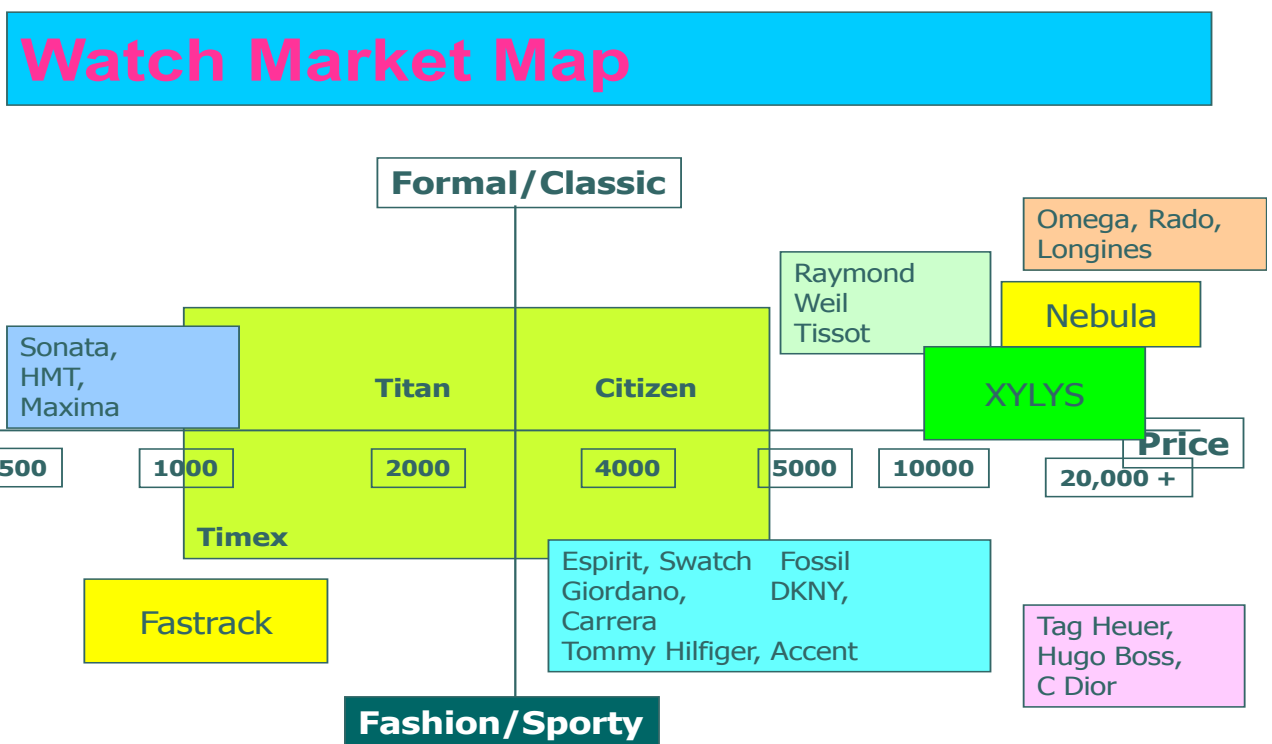
Tag Heuer, Hugo Boss, C Dior

**Fashion/Sporty**

Fig:- 1.3

The size of the watch market currently is estimated to be around 40 to 45 million pieces annually. The organized sector alone contributes up to 30 percent of this figure, and the rest of

the demand is being met by the unorganized grey sector. This data is significant indeed in view of the socio economic distribution of the Indian populace. More than 58 percent of the population is under twenty five and more than 80 percent of the population is below 45 years of age.

In dollar terms, the estimated annual market size is around USD 195 million, despite the fact that the penetration of watches is the lowest, compared globally. Looking into this fact and the long standing Indian tradition of comparing watches with jewellery and other traditional items, many watch companies are interested in setting up base in India. The average growth in the size of the market is slated to be around 10 -15 percent per year.

A casual study of the watch market reveals that it is segmented on basis of multiple proportions such as price, benefits and types of watches. The price of the watches is a major motive in the minds of the customer. Accordingly, three segments can be identified here, namely low priced, medium priced, and high priced watches.

The lower priced segment consists of watches priced less than INR 500; the medium price range consists of watches in the INR 500-1500 range and the high priced watches come in the INR 1500 upwards range. There are other higher categories as well such as the premium and luxury range, but they appeal to only a small category of the watch market in India.

According to a recent study, more than 90 percent of the watches were from the lower price ranges with international costs being less than 20 euros. Moreover, around 20 to 25 watches are being sold for every 1000 citizens. Thus there is enormous potential for growth of the industry in this untapped segment. Some customers look out for features like fashion appeal, technology, sophistication and status. Others go for durability, economy and precision.

Many customers prefer mechanical and automatic watches, while others prefer quartz watches. Newer segments are also on rise such as ladies watches, children's watches and gent's watches. Customers usually base their preferences and buying decisions on a variety of factors like price, durability, utility, aesthetic appeal and brand name. A combination of all these points ultimately forms the customer's buying decision that translates into the purchase of a watch.

The retail sector has just begun to boom in India. Since the early 1990's, Indian customers are relying more on departmental stores and shopping malls to purchase their wants and needs. This has come as a boon for watch manufacturers and dealers, who are now looking forward to utilize these new outlets to reach out to the Indian masses. Watch manufacturers are looking at a suitable mix to market their products ranging from exclusive retail outlets to display sections in malls and large departmental stores.

In the end, though India is still considered to be a difficult market to penetrate, due to reasons like price sensitiveness and its largely unorganized sector. However, with the right planning and the right partners and experienced collaborators, it is expected that both international and domestic watch manufacturers will do well in the Indian markets.

## 5. Research Methodology

The research model used in this research attempts to establish the relationship between the following independent and dependent variables.

**Independent variables –**

a. Gender
b. Income
c. Age
d. Location

**Dependent variables –**

a. Fastest way of checking time

b. Preferred price range for buying a watch

c. Preference for watch as a necessity or accessory

d. Desired features in a watch

e. Preference for watch attributes - Type of Dial, Strap, Color of Dial, Shape of Dial, Functionality

f. Preferred point of purchase

g. Mode of payment for buying a watch

h. Source of information for watches

i. Preferred endorsement in watch promotion

j. Preference between domestic and international watch brand

The research outcomes analyze variations in consumer preferences, defined as dependent variables, according to gender differentiation, income groups, age and location of the respondent, defined as dependent variables.

**Research Hypothesis**

$H_1$ - Transition from mere time keeping device to a personal wear reflecting people's lifestyle and aspirations

$H_2$ - Indian Consumer is price sensitive

$H_3$ - Aesthetic appeal and trendy designs are very important

$H_4$ - Brand Name continues to be an important driver in the customer's mind

$H_5$ – Bulk demand exists in middle and lower segments

## 6.    Research Model

The most popular method and commonly used in international business research, is Case Study

Method (Nohria and Ghoshal, 1997). However, since the researcher wanted to study the domestic marketing consumer behaviour adopted by the changing demographics of the people in western India, it was decided to adopt a survey method. This has not only helped "in overcoming the problem of small sample size" as in case study method but also gave an insight in the strategies which may be helpful for adopting watch manufacturer giants all over the world.

**Study Design**

The main objective of the study is to study the shifting consumer behaviour pattern of the wrist watch market in India. In order to achieve this objective, few major cities of the western India (Pune and Mumbai) were selected. In all 528 persons responded to the survey. This gave fairly large base of respondents, in this survey.

**Unit of Analysis**

Different authors have given different opinion about the unit of analysis to be used in

International strategy research. Some researchers like Porter (1986, 1990) consider industry

as the appropriate unit of analysis. Several other researchers like Wernerfelt, (1984), Grant

(1991), Prahlad, (1990, 1993), and Peteraf (1993) have used an individual firm as a unit of

analysis in their international consumer behaviour and strategy research. Since this research aims at studying the Indian domestic marketing strategies of watch manufacturer and their impact on the global competitiveness of the firm, the unit of analysis had to be firm or to be still precise. Various watch companies are present in Indian market. Reebok, for example, manufactures sports shoes along with watch. So is the case with most other multinational firms. In this study, we have concentrated only on the domestic marketing strategies of watches which include sturdy need based watches to luxury ornamental wrist watches. Hence, we have considered and concentrated only the middle class Indian populations which more than the total populations of many European countries. This ensured that the study measures the performance of all the subjects on the same parameters. This also ensured that the data and the research design are as comparable as possible from one city to another as noted by leading researchers on marketing orientation and strategy.

**Sampling**

Sampling in the globalised environment, needs to satisfy the same requirements as sampling in the domestic environment, but there are additional issues to consider, such as the balance within country representativeness with cross-national comparability (Reynolds, et al., 2003). Since the study was aimed at watch industry, the global firms in watch industry were not specifically selected. Many customers were contacted through post, e-mail was sent to the outstation persons. Many multinational companies were requested to participate in the survey. In all, approximately 75 responded in our e-mail survey. In total Five hundred twenty eight (528) valid useable responses were received and analysed.

**Instrument Development and Refinement**

The survey was conducted with the help of a semi-structured questionnaire. The questionnaire was divided into three sections. except question 8 and question no 26, where respodednts were to put figure, all questions were objective. For questions 1,3,9,21,23 had two options. Where as Questions 4, 5, 20, four options were offered. For Question 2, 5, 7, 10, 18, 22, 24 and 25 were a five-point scale was used to record the responses. Whenever possible, the questionnaire was administered in a question answer form and after extensive discussion with the respondent. Interviews ran for about 10 to 20 minutes in length, averaging an quarter of an hour. The semi-structured format provided the dual benefit of being as direct as possible and permitting

unplanned questions and open-ended responses. The questionnaire was pre-tested with twenty faculty members of Sinhgad Institute of Business Administration and Research, Pune. These respondents, who were not included in the final sample, then revised for clarification, understanding of the respondents and ease of use. The questionnaire dealt with the four independent variables namely Gender, Income , Age and Location. There are 10 dependent variables.

| S.N. | Research Function | Approach |
|---|---|---|
| 1. | Research Design | Descriptive Research Design enabling examination of the,<br>• units of analysis or subjects without otherwise intervening<br>• research variables in detail<br>• research questions via a cross-sectional study |
| 2. | Sources of Data and Tools for Data collection | 1. Secondary Sources (mentioned in References)<br>2. Primary Sources – Structured questionnaire via in-depth personal interviews |
| 3. | Sampling Plan | • Population Definition –Consumers from Pune City<br>• Sampling Design  - Simple Random Sampling<br>• Sample Size – 528 |
| 4. | Tools for Data Analysis | • Basic Frequency Count and their graphical presentation<br>• Correlation<br>• Reliability Test of the research instrument using Chronbach's Alpha |

Table No: 1.1

7.    **Findings:** The following are the findings of the study:-

   a. With a vast product portfolio for the India market Titan the flagship brand Titan, youth brand Fastrack, the top end Swiss-made Xylus and budget brand Sonata.

   b. True-blue international quality that can compete with most brands already available and popular in the market.

   c. Though India is a cricket crazy country, still people prefer to endorsement from Film Stars for their product.

d. The straps are made of polyurethane and the cases are ABS (acrylonitrile butadiene styrene), making the watches more flexible,

e. Fall resistant and water resistant are important feature Indian consumers like.

f. Indian is an extremely price sensitive country and people are more concern about the value for money.

g. There is a niche market for high end precious metal oriented watches.

h. Majority people still want to buy watches from Watch shops having multiple brands.

i. People still prefer to pay in cash than credit card.

j. A very dominant finding could be the artisan aspect of the watch market in the sub-urban India, particularly in the case of female ethnic style, and deep personal relationships with jewelry. The 'trust' between the consumer and the jeweler was a factor of personal relationships.

k. It is important for any company to capture every segment of the population. As we have seen in this research that Children segment is an very important (15%) for market share.

l. The people less than 30 years prefer watches in steel with leather straps in the colors of the season black, red and silver. The dials are in matched colors with heart patterns, making the collection a true blend of fashion and romance.

8. **Discussion**

a. The Indian watch market is estimated to be around 40 million to 45 million watches and growing at around 5% annually. This market is flooded with brands - both big international names as well as local players. Swiss watches are very popular among watch buyers in the Middle East. At the top of the pyramid are brands such as Omega, Rolex, Rado and others priced more than $250. Then comes the mid-premium segment comprising the upper end range from players like Citizen, Seiko and some fashion brands followed by the mid-market range from Seiko, Citizen, West Star, Swiss Star and others. The rest is accounted for by a host of local and international brands, including cheap Chinese imports

b.  It is moving up the value chain from the mid-market segment ($40 to $80) where it has been traditionally present to the mid-premium segment priced at around $80-200.

c.  The price of the watches is a major motive in the minds of the customer. Accordingly, three segments can be identified here, namely low priced (Less than Rs. 500), medium priced (Rs 500 ± Rs 1500), and high priced watches (Above Rs. 1500).

d.  These include multi-brand outlets, department stores, hypermarkets, malls and so on.

e.  To cater to the European taste Titan roped in European designers, introduced steel watches unlike the gold-plated ones it had for the Indian market and also set up a separate manufacturing plant in India. It also opened offices in London and Paris, hired an advertising agency in London and launched simultaneously in 11 markets in Europe.

f.  As a conscious strategy, foreign manufacturers had to opt to go with big names in the India though not necessarily in the watch category. Its distributors include groups like Reliance, ESSAR, Mahindra, Big Bazaar, and Shoppers Stop. For some of these companies, for instance, retail and watches are a very small part of their business. But their reputation in the market and their ability to help open doors which an outsider may otherwise find difficult.

g.  Success in the region is a long-haul game and local player need to be included.

h.  Any new entrant in Indian market, the sub-$10 watch market in India is flooded by cheap Chinese imports and low-quality domestic products. The value new entrant has to bring to this segment is high quality and exceptional styles.

i.  Watch wear is no longer about just seeing well. It is also very much about looking good and it is fast becoming a lifestyle product

j.  Tier II & III cities: Immense potential for expansions. Our research finds out a value for money segment brand, finds great future in these cities and town between price points of Rs 350-600 range.

k.  Quartz analogue watches are expected to remain the driver of the sector's growth in the Indian market in near future.

l.    There is a strong inclination in the research to show marketing and promotional activity in both the economy and premium segments in semi urban Indian towns.

## 9.    Limitations of the Study

a.    The research has been carried out in the western India only. While drawing conclusions for pan India on selected research variables of the study, regional differences must be accounted for.

b.    The research team consists of 4 students. More people could have gathered bigger demography region of the research.

c.    The sample distribution was quite uneven. Only 528 useable responses were received (more than 1000 questionnaire were forwarded) on which analysis is based.

## 10.    Conclusion

The wristwatch, for most of the last century, has been the ultimate male accessory. One of the few accepted male adornments, the pocket watch evolved into the wristwatch and subsequently into a key indicator of social status, particularly in the upper echelons of society. Wrist Watches form an integral part of the personality of individuals in the present era. Earlier seen as a luxury item, they are now witnessing a fundamental change in perception, and are now gaining respect as an essential utility item. For the watch industry, time seems in its favour what with the liberalization of the Indian market coupled with the rising purchasing power of the young and consumerist Indians.

Though mobile phones have become the substitute for watches clocking the penetration to only 27%, still Indian watch market is growing at high speed bringing hosts of opportunities for all the segments equally. There are oodles of innovations, better watch portfolios with quality and price ranges and enhanced selling outlets to increase consumer base at large.

The new generation, encompassing today's tweens and teenagers, has never had it so good. Brand-conscious, tech-savvy, old before their years and equipped with generous incomes that are almost entirely discretionary, they are an increasingly attractive segment for marketers of all kinds of products, ranging from fashion and beauty to digital devices. This global report

examines what makes Gen Zers tick and looks at their spending habits both now and in the future.

## 11. Further Scope of Research

a. The research team has not consulted the vendors. A separate questionnaire may be prepared for watch sellers.

b. International Watch manufacturer could have been asked for globalised trend.

c. The evidence of multi culture, multi religious and varied ethnic population of Indian civilization, differences in industry globalization indicates the need to study further.

## 12. Managerial Implications

a. The watch market is accounted for by a host of local and international brands, including cheap Chinese imports.

b. For any new entrant in watch business local distributors play an important role.

c. A mini-survey of very rich and important people, with Patek Philippe watches seeming to lead in terms of the number of VIPs sporting them, with a sprinkling of Audemars Piguet, Omega and Rolex. You can also find names such as Girard-Perregaux, Cartier, Jean Dunand, Piaget, Tag Heuer, Breitling, Jaeger Le Coultre, Breguet, Franck Muller and Bvlgari cropping up regularly. These account to the world's most prestigious and most expensive brand of watches.

d. In the end, though India is still considered to be a difficult market to penetrate, due to reasons like price sensitiveness and its largely unorganised sector.
However, with the right planning and the right partners and experienced collaborators, it is expected that both international and domestic watch manufacturers will do well in the Indian markets.

e. The essence of academic marketing is "Marketing Practise" unlike other functional discipline of the management. This study encompasses marketing principles as practised in India.

f. The Managers in India are mainly concern about three things

     i.      How do sales of mechanical, quartz analogue and quartz digital watches compare in India?

     ii.     Which format of watch underpins most sales: casual, formal or sports?

     iii.    Which retail channel is showing the most future promise?

g.     Today's Managers must concentrate on current fashion trends (many often unique to the country) as well as attitudes toward personal appearance, health and wellness and beauty that influence patterns of consumer spending. It reveals what consumers in India do when they stay in, go out, seek out entertainment, and go on holiday. This would give and provides insight on the impact of technology, both in the home and while on the move.

h.     he retail sector has just begun to boom in India. Since the early 1990's, Indian customers are relying more on departmental stores and shopping malls to purchase their wants and needs. This has come as a boon for watch manufacturers and dealers, who are now looking forward to utilise these new outlets to reach out to the Indian masses. Watch manufacturers are looking at a suitable mix to market their products ranging from exclusive retail outlets to display sections in malls and large departmental stores.

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## Appendices

**Preference for buying a watch from :**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Company Showroom | 168 | 31.8 | 31.8 | 31.8 |
| | Shop selling multiple brands | 354 | 67.0 | 67.0 | 98.9 |
| | Malls | 6 | 1.1 | 1.1 | 100.0 |
| | Total | 528 | 100.0 | 100.0 | |

**Watch makes you feel:**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Cool | 264 | 50.0 | 50.6 | 50.6 |
| | Smart | 156 | 29.5 | 29.9 | 80.5 |
| | Trendy | 24 | 4.5 | 4.6 | 85.1 |
| | Classy | 24 | 4.5 | 4.6 | 89.7 |
| | With Time | 54 | 10.2 | 10.3 | 100.0 |
| | Total | 522 | 98.9 | 100.0 | |
| Missing | System | 6 | 1.1 | | |
| Total | | 528 | 100.0 | | |

**Watch endorsement by a Film celebrity affects your buying :**

|  |  | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Yes | 234 | 44.3 | 44.8 | 44.8 |
|  | No | 288 | 54.5 | 55.2 | 100.0 |
|  | Total | 522 | 98.9 | 100.0 |  |
| Missing | System | 6 | 1.1 |  |  |
| Total |  | 528 | 100.0 |  |  |

**Chi-Square Tests**

|  | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|---|---|---|---|---|---|
| Pearson Chi-Square | 2.479[a] | 1 | .115 |  |  |
| Continuity Correction[b] | 2.208 | 1 | .137 |  |  |
| Likelihood Ratio | 2.483 | 1 | .115 |  |  |
| Fisher's Exact Test |  |  |  | .133 | .069 |
| Linear-by-Linear Association | 2.474 | 1 | .116 |  |  |
| N of Valid Cases | 522 |  |  |  |  |

a. The minimum expected count is 104.90.

b. Computed only for a 2x2 table

## Crosstab

|  |  | What do look for in a watch - Brand Name | | Total |
|---|---|---|---|---|
|  |  | Yes | No |  |
| Sample Profile - Gender | Male | 168 | 120 | 288 |
|  | Female | 216 | 24 | 240 |
| Total |  | 384 | 144 | 528 |

## Chi Square Test

|  | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|---|---|---|---|---|---|
| Pearson Chi-Square | 66.183[a] | 1 | 3.3 |  |  |
| Continuity Correction[b] | 64.596 | 1 | 3.2 |  |  |
| Likelihood Ratio | 71.511 | 1 | 3.6 |  |  |
| Fisher's Exact Test |  |  |  | 3.3 | 1.65 |
| Linear-by-Linear Association | 66.058 | 1 | 3.3 |  |  |
| N of Valid Cases | 528 |  |  |  |  |

a. The minimum expected count is 65.45.

b. Computed only for a 2x2 table

**Watch for occasions - Sports and Adventure**

| | | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | Yes | 96 | 18.2 | 18.2 | 18.2 |
| | No | 432 | 81.8 | 81.8 | 100.0 |
| | Total | 528 | 100.0 | 100.0 | |

**You prefer watch as:**

|  |  | Frequency | Percent | Valid Percent | Cumulative Percent |
|---|---|---|---|---|---|
| Valid | A necessity | 312 | 59.1 | 59.1 | 59.1 |
|  | An accessory | 24 | 4.5 | 4.5 | 63.6 |
|  | Both | 192 | 36.4 | 36.4 | 100.0 |
|  | Total | 528 | 100.0 | 100.0 |  |

**Chi Square Test**

|  | Value | df | Asymp. Sig. (2-sided) | Exact Sig. (2-sided) | Exact Sig. (1-sided) |
|---|---|---|---|---|---|
| Pearson Chi-Square | 35.933[a] | 1 | 2.91 |  |  |
| Continuity Correction[b] | 34.767 | 1 | 2.79 |  |  |
| Likelihood Ratio | 36.197 | 1 | 3.01 |  |  |
| Fisher's Exact Test |  |  |  | 3.02 | 1.5 |
| Linear-by-Linear Association | 35.865 | 1 | 3.30 |  |  |
| N of Valid Cases | 528 |  |  |  |  |

**Hypothesis 2 -** Indian Consumer is price sensitive

**Case Processing Summary**

| | Cases | | | | | |
|---|---|---|---|---|---|---|
| | Valid | | Missing | | Total | |
| | N | Percent | N | Percent | N | Percent |
| Sample Profile - Gender * Ideal price range for a watch | 528 | 100.0% | 0 | 0% | 528 | 100.0% |
| Sample profile - Age * Ideal price range for a watch | 528 | 100.0% | 0 | 0% | 528 | 100.0% |
| Sample Profile - Earnings per month * Ideal price range for a watch | 528 | 100.0% | 0 | 0% | 528 | 100.0% |
| Sample Profile - Location * Ideal price range for a watch | 528 | 100.0% | 0 | 0% | 528 | 100.0% |