The buying behaviour of farmers in the Eastern Free State when purchasing wire products

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ABSTRACT

The purpose of this study is to assist wire companies to identify buying behaviour amongst consumers of their products. For the purpose of this study the product will be wire products and the specific target market will be farmers in the Eastern Free State. The primary objective of the study is to identify factors that play a role in the buying behaviour of farmers in the Eastern Free State when purchasing wire products. By knowing exactly the buying criteria of wire products amongst farmers and seasonable cycles of purchasing will form the basis of strategic marketing planning.

This study was conducted in two phases. Phase one consisted of a literature review and phase two of an empirical research. The empirical research consisted of a quantitative research design; more specifically, descriptive research that employed cross-sectional analysis of the quantitative data collected from a sample by means of a structured questionnaire.

The results show that 76% of the respondents are older than 41 years of age. The population for this study is, therefore, a more matured one. Regarding their buying behaviour, the purchase frequency shows that the majority purchase wire products on a monthly basis and 40% on an annual basis. Most of them (78%) purchase their wire products from the co-operative. Wire products are an integral part of farming activities and in general the respondents are very positive about the industry. Most important considerations identified are that the wire industry should keep in touch with its market, never be out of orders, keep up the fast service that is currently provided, and that reputable products should be kept in stock.

Key terms: Industry, consumer behaviour, farmer buyer behaviour, wire products, steel wire, fence, farming activities

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NATURE AND SCOPE OF THE STUDY

1.1 INTRODUCTION

Agribusinesses play an important role in the development of a country's agricultural sector as suppliers of farming requisites, marketers of agricultural commodities and providing services such as storage and transport (Ortmann & King, 2007:62). In South Africa the primary agricultural sector contributes about 2.5% of the gross domestic product (GDP); however, with the strong backward and forward linkages into the economy the agri-industrial sector is estimated to comprise about 15% of GDP (Standard Bank 2008:1).

The following major agricultural policy changes play a huge role in the buying behaviour amongst the agricultural community: land reform, trade policy reforms, institutional restructuring in the public sector, reform of marketing institutions and labour market reform.

Consumers make many buying decisions every day, and the buying decision is the focal point of the marketer's effort. Most large companies research consumer buying decisions in great detail to answer questions about what consumers buy, where they buy, how and how much they buy, when they buy, and why they buy (Kotler & Armstrong, 2010:160).

According to Fisher (2009), buying patterns are real, and they manifest in how customers buy combinations of options. With the computing power we have available today we can detect and capture them. These patterns can then be used to design "house specials", forecast future sales, and guide customers to what we want to sell them.

Simpson (2009), investigating the impact of the current economic crisis on local consumer behaviour have found that 60% of South Africans are worried about the future and their fear is fuelling a considerable change in their buying habits.

Today's business environment is characterised by continuous change as a result of fast changing technologies, ever increasing changes in customer demand and the growing levels of intense global competition (Ireland & Webb, 2009:469).

Simpson (2009) also cautions business that it is time to throw the traditional marketing rule book out of the window. "It is time to sit up and really listen to what your client base is telling you about why and how their lifestyle priorities have shifted. They maintain there is a brief, but critical window of opportunity for SA businesses to rethink and revise their strategies as clients and customers rapidly adjust their buying behaviour to remain financially buoyant during the current economic downturn."

Finally, this chapter presents the nature and scope of this study and more specifically aims to:
- Explain the problem on which the study is based and provide a reason for undertaking the study.
- Present the primary and secondary objectives of the study.
- Describe the scope of the study.
- Provide a summary of the research methodology used in this study.
- Present the limitations to the study.
- Briefly describe the layout of the study.

1.2 BACKGROUND TO THE STUDY (MOTIVATION)

The wire industry in South Africa falls in different sectors, one of which is the agricultural sector. More particularly the focus will be on wire products, specifically double stranded 1.60mm fully galvanised barb wire, used in the agricultural sector. The focus will also be

on a particular area, the Eastern Free State. About 30 000 35kg rolls of double stranded 1.60mm fully galvanized barb wire are annually sold to mostly farmers in the Eastern Free State. However, due to the increase in imports (mostly from China) and other competitive factors like the strong Rand and other local producers offering competitive prices to keep and gain market share it is important to know what the buying behaviour is of the target market.

This will help the wire manufacturing industry considerably for future marketing and production planning. By knowing exactly the buying criteria of double stranded 1.60mm fully galvanized barb wire amongst farmers and seasonable cycles of purchasing will form the basis of strategic marketing planning.

1.3   PROBLEM STATEMENT

In order to survive in an increasing competitive environment it is crucial to identify the buying behaviour amongst consumers of your product (Wright, 2006).Over the years wire have basically sold itself, but during the last decade the market have become more competitive amongst local wire producers as well as imported wire products. The purpose of this study is to assist wire companies to identify buying behaviour amongst consumers of their products and to identify if the products they manufacture are still the first choice when purchasing wire products. For the purpose of this study the product will be wire products and the specific target market will be farmers in the Eastern Free State. In doing this study on the buying behaviour amongst farmers in the Eastern Free State their inputs will be important.

1.4   OBJECTIVES OF THE STUDY

1.4.1 Primary objective

The primary objective of the study is to identify factors that play a role in the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

1.4.2 Secondary objectives

The primary objective will be realised by meeting the following secondary objectives:
- Define buying behaviour.
- Obtain insight into the determinants of buying behaviour by means of a literature study.
- Investigate key dimensions of buying behaviour. How often do farmers in the Eastern Free State purchase wire products? From whom do the farmers in the Eastern Free State purchase wire products? The age of the farmers in the Eastern Free State.
- Determine the internal business factors that have an influence on the buying behaviour of farmers in the Eastern Free State.
- Assess the current buying behaviour of farmers in the Eastern Free State.
- To determine the loyalty of farmers in the Eastern Free State towards a single supplier and or trademark/brand.

1.5 SCOPE OF THE STUDY

This section describes the field of study, industry demarcation and the geographical demarcation.

1.5.1 Field of study

The field of this study falls within the subject of marketing, that being consumer marketing and includes terminologies such as consumer behaviour and buying behaviour.

1.5.2   Industry demarcation

This study is limited to farmers in the Eastern Free State in South Africa.

1.5.3   Geographical demarcation

The area of operation for the farmers in the Eastern Free State that took part in the study is indicated in figure 1.1.

Figure 1.1: Area of operation of farmers in the Eastern Free State

1.6   RESEARCH METHODOLOGY

This study was conducted in two phases. Phase one consisted of a literature review and phase two of an empirical study.

1.6.1   Literature/theoretical study (content and sources of references)

The literature review for this study focused on the various aspects of buying behaviour. More specifically it focused on:

- Deriving at a definition for buying behaviour and determining the factors of buying behaviour.
- Discussing the key dimensions of buying behaviour.
- Determining the internal business factors that have an influence on buying behaviour amongst farmers.
- Finally, the literature review focused on the decision-making process.

The literature review consisted mainly of an analysis of secondary sources such as books, journal articles, unpublished theses and dissertations, papers and internet sources such as websites. The literature review aided in acquiring a thorough understanding of the problem that is being investigated, assisted in preparing a suitable empirical research methodology and formed the basis of the questionnaire.

1.6.2   Empirical study

Empirical research primarily deals with the means of data collection and the use of data (Riley, Wood, Clark, Wilkie & Szivas, 2007:18). The empirical research, for this study, consisted of the research design, sample design, the research instrument, method of data collection and the procedures for data analysis. Chapter 4 offers a detailed discussion on the above empirical research process and will therefore only be presented briefly in this section.

1.6.2.1 Research design

A quantitative research design was followed in this study and more specifically descriptive research was used as the basis for the research design.

The descriptive research consisted of a cross-sectional analysis which was conducted by means of a sample survey that made use of questionnaires as research measuring instrument to gather the required quantitative data (see section 1.6.2.2 and 1.6.2.3).

In this study an attempt was made to determine the extent to which the buying behaviour of farmers in the Eastern Free State influence the purchase of double stranded 1.60mm fully galvanized barbwire.

1.6.2.2 Study population

The study population for this study consisted of one population – farmers in the Eastern Free State of South Africa. The study population consisted of a total study population since it included all the farmers within the Eastern Free State. No sampling technique was therefore required. With the assistance of the various farmers' associations in each of the regions it was possible to reach most of the farmers required. A list of the farmers was subsequently provided by each of the farmers' associations chairman in the Eastern Free State of South Africa.

1.6.2.3 Constructing the research instrument

The research instrument selected for this study was a structured questionnaire (see appendix A). In order to confirm and further enhance and substantiate the literature review findings discussed up to now and to assess the buying behaviour of farmers in the Eastern Free State an edited version of a questionnaire previously used to conduct agricultural research was employed.

Assessment of buying behaviour within the wire industry – For the purpose of assessing buying behaviour amongst farmers in the Eastern Free State when purchasing wire products. The questionnaire consists of 60 statements, with measuring based on a five-point Likert scale.

The questionnaire consists of 4 parts, namely:

Part 1: Purchase frequency, from whom do they purchase and age group.

Part 2: The wire industry in general. 10 statements.

Part 3: The wire company/agent/distributor/co-operative from whom they buy. 38 statements.

Part 4: How does the consumer feel about different brands in the wire industry? 12 statements.

1.6.2.4 Collection of data

The actual gathering of the data was done by means of the following procedure:

- A letter was hand delivered to each of the farmers' association chairpersons explaining the purpose of the study and requesting permission to distribute questionnaires amongst the members (farmers).

- After permission was obtained, a designated person was appointed to act as a contact person and who also assisted with the distribution and subsequent collection of the questionnaires.

1.6.2.5 Data analysis

The data collected were statistically analysed, using Moonstats version 2 (2001-2005).

1.7   LIMITATIONS OF THE STUDY

A suggestion that can be made is that when future research is conducted, that individual interviews are done with each selected farmer, rather than questionnaires being completed. This will give a more accurate result of the true feelings of the farmers.

1.8   CHAPTER DIVISION

In order to achieve the objectives of this study, the study has been divided into four phases. The four chapters of the applied dissertation coincide with the phases of the study. The relationships between the chapters are shown in table 1.1.

Table 1.1: Schematic layout of the study

Chapter 1	Problem Statement Study Objectives
Chapter 2	Literature review
Chapter 3	Empirical Study
Chapter 4	Recommendations Shortcomings/Limitations Conclusion

- **Chapter 1** provides an overview of the study. The chapter includes the problem definition, the study objectives, the scope of the study, and the methodology to be followed in the study.
- **Chapter 2** entails the literature review. The literature review portrays the ideal state or methodologies for buying behaviour. Different models of buying behaviour are investigated.

- **Chapter 3** discusses the results from the empirical study. A questionnaire will be drawn up and used in the empirical investigation. A detailed analysis of the questionnaire feedback is conducted in this chapter and the elements / components of buying behaviour are evaluated using statistical analysis of the results. The results are presented and interpreted.

- **Chapter 4** presents the conclusions from the study. Recommendations are made to address the shortcomings identified in the previous chapters.

CHAPTER 2

LITERATURE REVIEW

In chapter 2 the focus is the literature review on buying and consumer behaviour. The definition, the models of consumer behaviour, internal and external factors affecting the decision-making process and the five steps in the decision-making process are evaluated.

2.1   DEFINITION FOR BUYING BEHAVIOUR

Buying behaviour is the decision processes and acts of people involved in buying and using products (Brown, 2005:61). There is the need to understand:

- Why consumers make the purchases that they make?
- What factors influence consumer purchases?
- What are the changing factors in our society? (Brown, 2005:61).

The term consumer behaviour refers to the behaviour that consumers display in searching for, purchasing, using, evaluating, and disposing of products and services that they expect will satisfy their needs (Schiffman & Kanuk, 2009). The study of consumer behaviour is the study of how individuals make decisions to spend their available resources (time, money, effort) on consumption related items. It includes the study of what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, and how often they use it (Schiffman & Kanuk, 2009).

Consumer buying behaviour also refers to the process by which individuals search for, select, purchase, use, and dispose of goods and services, in satisfaction of their needs and wants (Business Dictionary, 2010).

Perner (1999) defines consumer behaviour as, "The study of individuals, groups, or organizations and the processes they use to select, secure, use, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society."

This definition delivers some useful points:

- Behaviour occurs either for the individual, or in the context of a group or an organisation.
- Consumer behaviour involves the use and disposal of products as well as the study of how they are purchased.
- Consumer behaviour involves services and ideas as well as tangible products.
- The impact of consumer behaviour on society is also of relevance (Perner, 1999).

2.2   MODELS OF CONSUMER BEHAVIOUR

A model of consumer behaviour can be described as anything used to represent all or part of the variables of buying behaviour. Consumer behaviour models indicate the structure of consumer behaviour and buying behaviour and how it is represented by the decision-making process (Berman & Evans, 2001:19). In the next two sections, various consumer behaviour models will be explained. In Section 2.2.1, the economic, sociological and information processing consumer behaviour models will be highlighted and will serve as background information for Section 2.2.2, which will explain the Engel, Blackwell and Miniard model. This model is a combination of the models discussed in Section 2.2.1 and will be used as a point of reference and visual guide for the discussion in the remainder of Chapter 2.

2.2.1 Economical, Sociological and Information Processing Models

Economical models focus on the individual characteristics of consumers and are based on the concept that consumers maximise value by using a form of cost-benefit analysis. Sociological models refer to factors such as family background, academic ability, significant others, educational aspirations and motivation to succeed. Information processing models can be described as the combination of economic and social factors that affect the individual's decision-making.

Four models of information processing can be identified: These models will be briefly discussed as the undermentioned in 2.2.2.

2.2.2 The Engel, Blackwell and Miniard Consumer Behaviour Model

The final model of consumer behaviour to be addressed is the Engel, Blackwell and Miniard model. This model provides a comprehensive discussion on the possible influences on consumer behaviour, and more specifically the impact of these influences on the different stages of decision-making. This model is a combination of the previously discussed models (refer Section 2.2.1) and will therefore be used as the basis for discussing the individual's decision-making process. According to Berman and Evans (2001:233) and Hawkins, Best and Coney (2004:27), the Engel, Blackwell and Miniard model of consumer behaviour consists of two parts: the process itself (which consists of five steps) and the internal and external factors (that influence the process) as evident in Figure 2.1.

Figure 2.1: Engel, Blackwell and Miniard's consumer behaviour model
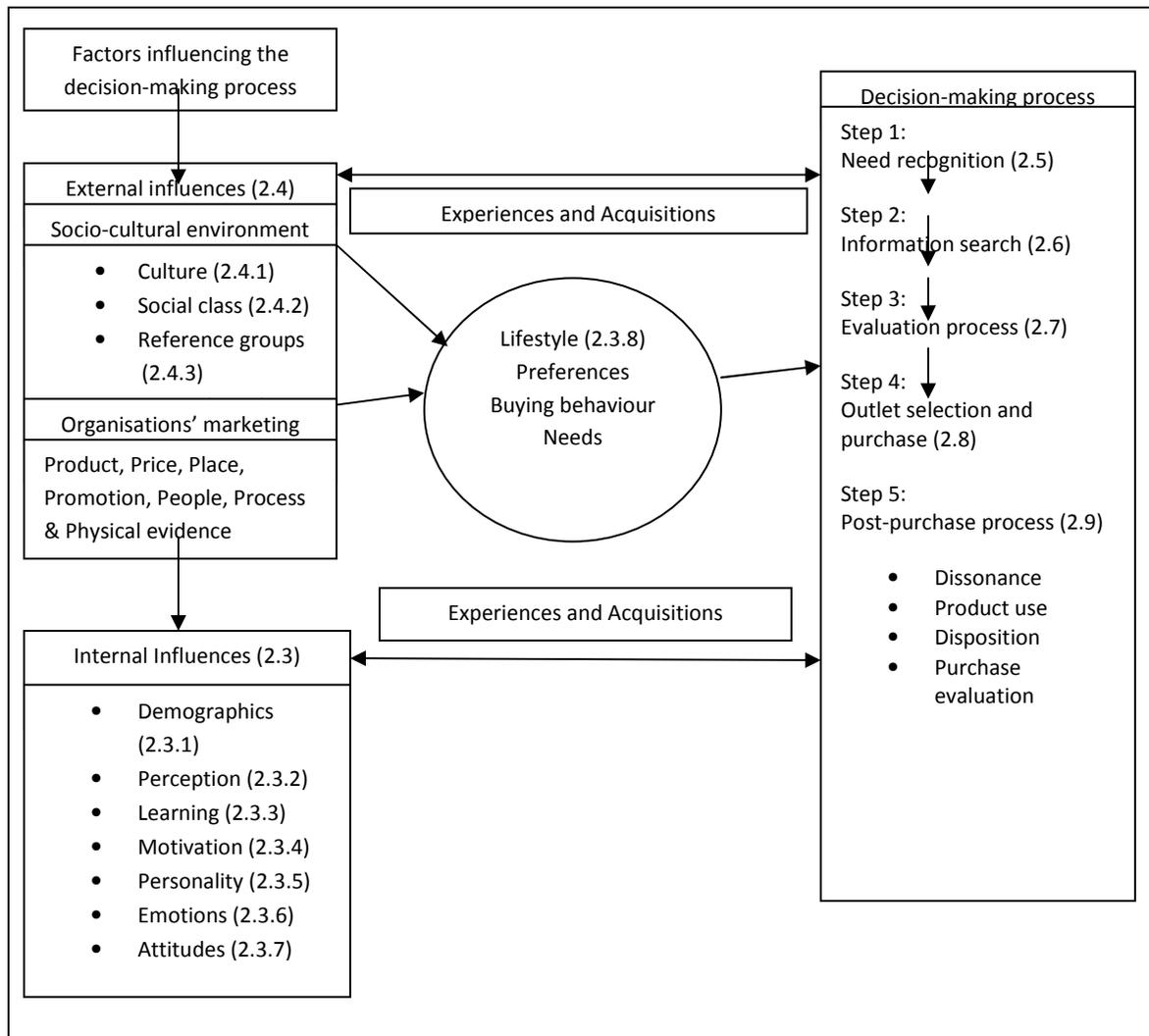
(Source: Adapted from: Hawkins, Best, & Coney, 2004:27).

The five-step decision-making process consists of need recognition, information searches, evaluating alternatives, outlet selection and purchase and finally the post-purchase process.

The five steps in the consumer decision-making process are influenced by internal factors such as demographics, perception, learning, motivation, personality, emotions and attitudes. The external factors that influence the process consist of culture, social class, reference groups, family and organisations' marketing efforts. Figure 2.1 will

serve as a visual guide for the rest of this chapter. The internal factors will now be explained.

2.3   INTERNAL FACTORS INFLUENCING THE DECISION-MAKING PROCESS

The internal influences deal with how the individual reacts to group influences, environmental changes and marketing efforts. Several internal influences exist and these will be discussed below.

2.3.1 Demographics

Demographics can be described as consumers' personal information such as gender, race and age. Gender can be described as the cultural definition of behaviour as appropriate to the gender groups in a given society at a given time and the culture capital (resources, norms, behaviour) associated with a set of gender roles (Arnould, Price & Zinkhan, 2004:511). According to Hoyer and MacInnis (2001:384), gender roles are changing and male and females differ in terms of consumer traits, information processing, decision-making styles and buying patterns. Arnould *et al.* (2004:516) are of the opinion that gender influences purchase and consumption situations, as physiological differences between male and female may lead to specialised product needs.

Another demographic factor that has an influence on a consumer's behaviour is a person's age, as needs and wants vary by age. The age of consumers can have a significant impact on their behaviour, as the age of consumers generally indicate what products they may be interested in purchasing or which media they are exposed to (Lamb*,* Hair, McDaniel, Boshoff and Terblanche, 2004:166). Companies can make use of age for segmentation, targeting and positioning.

Race or ethnic group refers to the genetic heritage group a person is born into. Arnould *et al.* (2004:495) define ethnicity in terms of frequent patterns of association and identification with common national and cultural origins of subgroups found within the larger society.

2.3.2 Perception

Perception is a process of giving meaning to sensory stimuli. Arnould *et al.* (2004:296) define perception as a process by which people select, organise and interpret sensory stimuli into a meaningful coherent picture, for example, how a farmer views a brand, product or organisation. Perception consists of three components (exposure, attention, interpretation) and will be discussed briefly. Firstly, exposure occurs when a stimulus comes within a range of one or more sensory receptors of consumers. Attention is the second component of perception and occurs when the stimulus activates one or more sensory receptors and relates the sensation to the brain for processing. Interpretation is the third part of the perception process and consists of the assignment of meaning to stimuli that have been attended to. Interpretation is a function of the individual as well as stimulus and situation characteristics.

Hoyer and MacInnis (2001:100) point out companies can use their knowledge of information processing in a variety of ways. The fact that media exposure is selective provides a basis for media strategy and companies can enhance their operations by viewing their outlets as an information environment. Both stimulus and personal factors can be used to attract attention to advertisements, packaging and products.

An individual's response to purchase a product depends on the way in which he/she perceives it. Du Plessis and Rousseau (2005:111) state that it is imperative that companies realise that a consumer's perception is a reality for the consumer and determine how they act towards the company and its products. Mabote (2001:62) is of the opinion that perception is equal to the truth, which if not managed, can destroy a company. Organisations should realise that they are in business not only because they

offer good quality products and prices; they are also in business because consumers hold particular views about them. Consumers develop images of products, brands, advertisements and companies as a result of their perception. Organisations must therefore know what media consumers expose themselves to, how they interpret information, how to capture their attention and what their perceptions are about the company. Perception has strategic implications for organisations, because consumers make decisions based on what they perceive rather than on the basis of objective reality (Schiffman & Kanuk, 2004:199).

2.3.3 Learning

Schiffman and Kanuk (2004:245) define consumer learning as the process by which individuals acquire, purchase and consume knowledge and experiences they apply to future related behaviour. Although some learning is intentional, most learning is incidental. Consumers must learn almost everything related to being a consumer: product existence, performance, availability, values, and preference; therefore, organisations are very interested in the nature of learning. Consequently, the purchasing act, whether rational, deliberate or impulsive, is the result of a learning experience. If needs are satisfied, continued reinforcement usually leads to brand loyalty for a particular brand, product or service. However, if the consumer learning experience has been negative, the consumer will respond to the stimuli from competitive brands.

Schiffman and Kanuk (2004:245) point out that the major reason for understanding how consumers learn is to teach them that the company's brand is the best and to develop brand loyalty. Thus, organisations need to understand how consumers learn best and make use of this information when developing their promotional strategies to ensure that consumers learn about the products they have to offer and that the company's brand will be in the consumer's awareness set (refer to Section 2.8).

2.3.4 Motivation and Needs

Motivation can be described as an inner drive that reflects goal directed arousal. A drive is an internal stimulus, such as hunger, thirst, desire or self-esteem. Consumers' motivations and goals depend on how consumers interpret macro-environmental factors, local content, and social networks within their own personal history, circumstances and values (Arnould *et al.,* 2004:288).

Five different needs can be identified using Maslow's hierarchy of needs: physiological needs, safety and security needs, social needs, ego needs and self-actualisation (Schiffman & Kanuk, 2004:103). As lower order needs become satisfied, higher level needs come into play. For example, the farmer's animals have been fed and looked after, now he needs them to be confined to a specific place for safety. He will now need wire products to put up a fence to keep his animals within the confined space.

2.3.5 Personality

Arnould *et al.* (2004:389) describe personality as the distinctive and enduring patterns of thought, emotions and behaviour that characterize each individual's adoption to the situation of his or her life. The personality of a consumer guides and directs his/her behaviour. Although all individuals have internal characteristics, there are measurable differences between individuals' characteristics. Schiffman and Kanuk (2004:150) point out that consumers tend to prefer products that preserve, enhance, alter or extend their self-image by selecting outlets or brands they perceive as consistent with their relevant self-image or personality. For example, the commercial farmer needs to upkeep his farm to a certain level, in order to be seen as a successful and professional commercial farmer. In order to do this he needs to maintain a certain level of quality in and around the farm. Therefore, he cannot fence his farm with inferior products that will damage the image of the farm and make him as a successful commercial farmer look unprofessional.

2.3.6 Emotions

Emotions can be described as strong, relatively uncontrollable feelings that affect behaviour. Emotions occur when the environment, events or consumers' mental processes trigger physiological changes (Peter & Olson, 2005:49). These changes are interpreted as specific emotions based on the situation. They affect consumers' thoughts and behaviour. Foreman (1998:9) states that it is important to measure emotions before; during and after the purchase and that the consumer's emotions are influenced by the social and cultural context during the decision-making process.

According to Hawkins, Best and Coney (2004:374), advertisements with emotionally arousing material lead to an increase in attention, a higher degree of processing, better remembering and brand preference. Organisations can thus make use of emotions in their advertisements to capture prospective customers' attention and to create brand preference.

2.3.7 Attitudes

An attitude can be described as the evaluation of a concept or object such as an issue, person, group, brand or service that expressed a degree of favour or disfavour. Peter and Olson (2005:459) explain an attitude as a process by which consumers elect information in the environment to interpret and view an attitude as the point at which consumers become conscious or aware of certain stimuli. Organisations can use their knowledge of consumer attitudes to develop two strategies: one strategy reinforces existing attitudes, and another tries to change them (Hawkins *et al.,* 2004:395).

An attitude consists of three components: firstly, the cognitive component, which consists of the individual's beliefs and knowledge about the object; secondly, feelings or emotional reaction to an object that represents the affective component; and thirdly, the behavioural component, which reflects actions and statements of behavioural intention.

Generally, the three components are consistent with each other and if organisations can influence one component, the other components may also be influenced (Schiffman & Kanuk, 2004:285). Du Plessis and Rousseau (2005:274) state that this assumption of consistency means that a favourable attitude will lead to favourable behaviour consistent with the attitude, such as buying or trying out the product.

2.3.8 Lifestyle

Lifestyle suggests a patterned way of life into which consumers fit various products, activities, services and resources. Peter and Olson (2005:463) define lifestyle as the manner in which people conduct their lives, including their activities, interest and opinions. Lifestyle is a function of one's inherent individual characteristics that have been shaped through social interaction as one move through one's lifecycle. For example, when the farm was initially bought by the father, he fenced it with a particular wire brand and was satisfied with the product and associated himself with the brand for many years, his children grew up with the same image of the product and brand, and if not dissatisfied during the years with the product they will continue their association with the product through generations for many years to come.

The external influences, just like the internal influences, briefly explained in Section 2.4.1 to Section 2.4.8, have an impact on every step of the decision-making process of consumers. An understanding of these influences will provide valuable insight for companies into the behaviour of consumers and will aid organisations in determining effective marketing strategies.

The next section will focus on the external factors that influence consumer behaviour and decision-making.

2.4 EXTERNAL FACTORS AFFECTING THE DECISION-MAKING PROCESS

External influences represent those factors outside of the individual that affect individual consumers, decision-making units and organisations. External influences consist of two groups, namely socio-cultural influences and an organisation's marketing efforts. Schiffman and Kanuk (2004:554) note that the socio-cultural environment has a major influence on the consumer and consists of a wide range of non-commercial influences. Socio-cultural factors are those factors that affect a consumer's behaviour as a result of integration between the consumer and the external environment.

Section 2.4.1 to Section 2.4.4 will briefly explain the socio-cultural factors: culture, social class, reference groups and households, as well as briefly note the influence of an organisation's marketing efforts on consumer behaviour.

2.4.1 Culture

The study of culture is the study of all aspects of a society. Although people hardly ever notice their own culture, culture supplies important boundaries on behaviour. Culture is adaptive, dynamic and patterned dynamic blueprints for action and interpretation that enables a person to operate in a manner acceptable to other members of the culture. The values, myths, symbols and rituals also help to define culture and utilizing them can help organisations to understand consumer behaviour (Arnould *et al.,* 2004:106).

According to Du Plessis and Rousseau (2005:81), cultural influences refer to implicit beliefs, norms, values and customs that prescribe conduct in a society. These beliefs, norms and values are learnt from society and lead to common patterns of behaviour. Societies can be subdivided into small subcultures that consist of people who are similar in terms of their ethnic origin, customs and the way they behave, thus sharing distinguishing values and patterns for behaviour, such as race and religion (Hawkins *et al,* 2004:152). For example, farmers within a specific area will most probably be

attending the same farmers' union/study group, have similar beliefs, their children will go to the same schools and on a social level they will interact. The products that they use will also be similar.

2.4.2 Social class

Schiffman and Kanuk (2004:372) define social class as the division of members of a society into a hierarchy of distinct status classes so that members of each class have relatively the same status and members of all other classes have either more or less status. Each social class is different in occupation, education, income, ownership and affiliation. According to Peter and Olson (2005:342), social class is important to organisations because people of different social classes have different behaviour. For example, farmers from a specific area will be more or less from the same social class; whereas up and coming government assisted farmers can be from a different social class.

2.4.3 Reference groups

Almost all individuals regularly interact with other people who directly or indirectly influence their purchase decisions. A reference group can be described as a group whose presumed perspectives, attitudes or behaviour are used by an individual as the basis for his or her own perspectives, attitudes or behaviour (Arnould *et al.,* 2004:608). Examples of reference groups include friends, family, peers, teachers and other influential people. For example, a farmer, when purchasing new wire products will be influenced by which product or brand were bought and used in the past by his father and other farmers around him.

2.4.4 Family

Primary reference groups exert the greatest influence and the family is one of the most important reference groups in terms of its role in attitude formation, structuring and

conditioning behaviour. The family is the first group to which a person belongs and usually maintains the longest affiliation with them. For example, family plays a very important role within the agricultural community. It is very close knit and traditions come through history. When a product carries the satisfaction from the family it will be very difficult for a new product to make an entrance.

2.4.5 The organisation's marketing mix

Schiffman and Kanuk (2004:553) are of the opinion that an organisation's marketing activities are a direct attempt to reach, inform and persuade consumers to buy and use its products and services. Organisations can influence consumers' decision-making processes by making them aware of their needs, supplying information and convincing them to purchase and use their products by means of their marketing strategy implemented through the marketing mix: price, product, promotion, place (distribution), process, people, and physical evidence. These seven components are coordinated and integrated with one another and aimed at a specific group of consumers, in this study namely farmers in the Eastern Free State.

The discussed external influences play an important role in influencing a consumer's decision-making process and subsequent buying patterns. Therefore, it is important for companies to take note of these influences and understand how they can use them to their advantage to influence consumers to purchase their products.

The remainder of the chapter will focus on the consumer's decision-making process as outlined in Figure 2.1.

2.5   STEP 1: NEED/PROBLEM RECOGNITION

The recognition of a need is likely to occur when a consumer is faced with a problem. Peter and Olson (2005:171) state that the initial stage in any decision-making process is need/problem recognition. The consumer senses the difference between what he/she

perceives to be the ideal state of affairs (the condition the consumer would like to be in) compared with the actual state of affairs (the condition the consumer perceives himself/herself to be in). The larger the discrepancy between the two stages, and the greater the level of motivation, ability and opportunity, the more likely the consumer is to act. Both the desired state and the actual state are influenced by the consumer's lifestyle and current situation. Hawkins *et al.* (2004:504) note that internal stimuli or external stimuli can trigger problem recognition. The internal stimulus is the perceived state of discomfort and the external stimuli are marketplace information such as advertisements that lead the consumer to recognise a problem. For farmers, problem recognition may occur through the realisation that his current fence is not sufficient and that he needs to upgrade/replace his current fence. However, the farmer may be aware of the need, but may not be able to do anything about it because of the inability to fulfill his/her need, such as lack of funding or other priorities like feed for animals, or fertilizer for planting. Problem recognition requires the farmer to have both the ability and willingness to fulfill the need. The problem recognition process implies that in the case of a farmer determining his future plans, the actual state would be not having the wire for the fence to replace/repair the current fence. The desired state of the farmer may be to have the wire for the fence to ensure a secure fence for his animals. A discrepancy or gap thus exists between the farmer's actual and desired state, which indicates that a need has been identified. Berman and Evans (2001:234) point out that if the discrepancy between the actual and desired states is sufficiently large and important enough, the consumer will begin to search for a solution to the problem.

Once organisations are aware of the problem recognition patterns among consumers, they can react by designing their marketing mix to solve the recognised problem. This may involve product development, repositioning, a different price or a host of other marketing strategies. Organisations often want to influence problem recognition instead of reacting to it (Peter & Olson, 2005:170).

In conclusion it can be said that organisations must help consumers to recognise a need and then develop a marketing strategy to solve the consumers' needs. After

farmers recognise that they have a need for a wire fence, the next step involves the search for information about the available alternatives.

2.6   STEP 2: INFORMATION SEARCH

The natural response of a consumer to problem recognition is to seek a solution, and the process of seeking a solution naturally leads to the search for information. After identifying a problem of sufficient magnitude to propel the consumer into action, the search process is activated to acquire information about products or services that may eliminate the problem (Hawkins *et al.,* 2004:525). According to Du Plessis and Rousseau (2005:87), this is the stage in the process where the search for information and the organisation thereof within the individual's frame of reference begins. The investigation of the consumer search process is highly important to organisations, because it influences their marketing strategies, especially promotion and communication strategies.

The managerial problem of providing information to the market can be presented in terms of certain questions, as adapted to the wire industry (Dholakia, 1995:283):
- What information should wire manufacturing companies provide to farmers?
- In what form must the information be provided and which media should wire manufacturing companies use?
- To whom should the company provide the information, for example, permanent, well established farmers, new, developing farmers or upcoming, previously disadvantaged farmers?

One of the objectives of this study is to investigate the information search activity of farmers by determining the usefulness of different sources of information used by farmers in the selection process. This can assist companies to answer the above questions and can be used to influence farmers' search patterns in the decision-making process. This study will attempt to answer these questions by identifying the most important information sources farmers make use of, by determining the importance of

different choice factors, which will be an indication of the type of information to make available to farmers, and by determining the role and influence of friends, colleagues and family on the selection process to identify to whom to make the information available.

Section 2.6.1 will focus on the information sources used by farmers and Section 2.6.2 on the amount of searches farmers engage in.

2.6.1 Information sources used by farmers

Hawkins *et al.* (2004:530) note that the consumer decides how many and which sources of information to use. Two types of consumer search processes can be identified: internal and external searches. An internal search happens when a consumer attempts to retrieve information from his long-term memory on products and services that may help to solve the problem at hand. Internal sources of information are the consumer's memory of past searches, personal experiences and low-involvement learning. Internal information is the primary source of information and used by most consumers most of the time. In contrast, external search involves the acquisition of information from any outside sources. Schiffman and Kanuk (2004:556) point out that the recollection of past experiences might provide the consumer with adequate information to make present choices. If farmers have been using a specific wire brand/product for many years and he always had a good experience with it, this will stick in his mind and next time he needs to put up a fence or repair his fence will refer back to the information from the experience he has gathered over the years. For example, if the product focus is double stranded 1.60mm fully galvanized barbwire, and if the farmers in the Eastern Free State have had good experiences over the years with this product, they will refer back to this when making a current purchase.

2.6.2 The intensity of the search activity

Consumers generally engage in relatively extensive external searches prior to purchasing an important, complex or expensive product or service (Lamb *et al.,* 2004:145). However, this view ignores the fact that information searches are not free of costs. It takes time, energy and money and can often require giving up more desirable activities. Therefore, consumers may engage in external search only to the extent that the expected benefits – like a lower price or more satisfaction – outweigh the expected cost. The amount of information searches will also depend on the strength of motivation, amount of information the consumer initially has, the ease of obtaining information, the value that the consumer places on additional information, the risk involved and the satisfaction the consumer gets from the search process (Kotler & Fox, 1995:252). For example, when a farmer realises that over the years the price for double stranded 1.60mm fully galvanized barbwire have gone up significantly, he might consider doing an external search to compare it with other brands/alternative products to make sure he is still buying the best product/brand at a competitive price.

Schiffman and Kanuk (2004:549) identify three levels of consumer decision-making by using a continuum of efforts ranging from very high involvement to very low involvement. The three levels are addressed below:

- **Extensive decision-making**: When consumers have not established criteria for evaluating a product category or specific brands in that category or have not narrowed the number of brands they will consider to a small manageable subset, extensive decision-making is used. Extensive decision-making involves an extensive internal and external information search followed by an evaluation of multiple alternatives and significant post purchase evaluation (Hawkins *et al.,* 2004:503). Extensive decision-making is usually a response to a high level of purchase involvement.
- **Limited decision-making**: If the consumer already established the basic criteria for evaluating the product category and the various brands in the category, but

have not fully established preferences concerning the selected groups of brands, their decision-making can be described as limited.

- **Routine decision-making**: Consumers that have experience with a product or service category and have a well-established set of criteria with which to evaluate the brands they are considering, make use of routine decision-making. An example can be a farmer buying the wire brand that he has been using for many years.

The level of personal involvement and prior experience will influence how complex and time consuming the decision-making process for a farmer will be. More complex, high involvement products/decisions require extensive searches for information, while low involvement decisions/products usually require less information searches.

2.7   STEP 3: EVALUATION PROCESS

Once a consumer has reached for and selected the necessary information, the next stage focuses on organising, categorising and interpreting the incoming information. Berman and Evans (2001:235) point out that when evaluative criteria are selected, the importance of each criterion is established and thereafter, alternatives are ranked. The number, type and importance of evaluative criteria used differ from consumer to consumer and across product categories. This section will explain how consumers evaluate alternatives by focusing on the appropriate evaluative criteria (choice factors), the importance of each evaluative criterion (choice factor), the existence of various alternative solutions and the decision-making rules that consumers can apply when faced with a decision. Figure 2.2 provides an outline that serves as a basis for the discussion of this section.

Figure 2.2: Alternative evaluation process

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┌──────────────────────────────────────────────────────────────────────────────────────┐
│  ┌─────────────────────────┐      ┌──────────────┐                                     │
│  │  Evaluative criteria    │─────▶│              │                                     │
│  │  (Choice factors)       │      │ Evaluation   │                                     │
│  │  (2.7.1)                │      │ of           │   ┌──────────────┐                  │
│  ├─────────────────────────┤      │ alternatives │   │ Decision rule│   ┌────────────┐ │
│  │  Importance of evaluative│────▶│ on           │──▶│ applied      │──▶│ Selected   │ │
│  │  criteria (Choice factors)│     │ each         │   │ (2.7.4)      │   │ alternative│ │
│  │  (2.7.2)                │      │ criteria     │   └──────────────┘   │(organisation)│
│  ├─────────────────────────┤      │              │                     │ (2.9)      │ │
│  │  Alternatives considered │────▶│              │                     └────────────┘ │
│  │  (Different wire         │      └──────────────┘                                     │
│  │  manufacturers) (2.7.3) &│                                                           │
│  │  Figure 2.4             │                                                           │
│  └─────────────────────────┘                                                           │
└──────────────────────────────────────────────────────────────────────────────────────┘
```
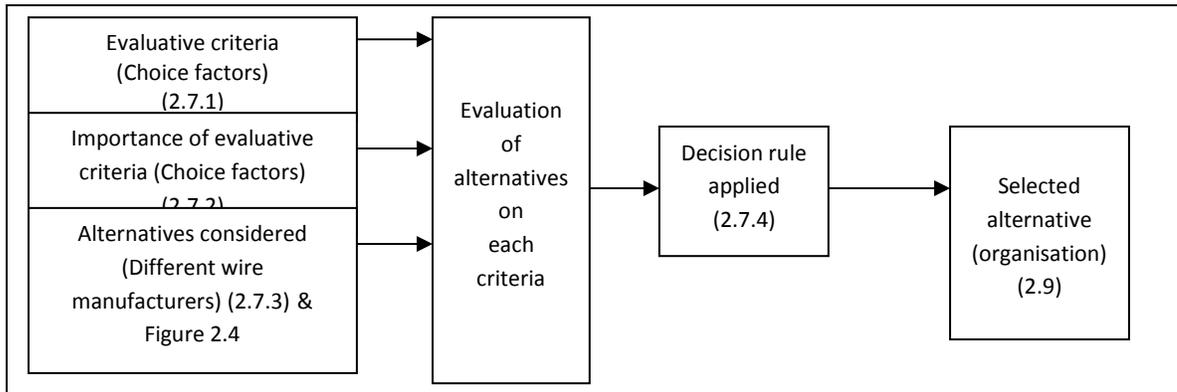
(Source: Hawkins, Best & Coney, 2004:556)

The first two components of Figure 2.2, evaluative criteria (choice factors) and the importance of evaluative criteria, will be discussed in Section 2.7.1 and Section 2.7.2. The third component is the alternatives considered, and for the purpose of this study, consists of the wire manufacturers farmers can buy from and will be explained in Section 2.7.3. While farmers evaluate the different wire brands based on their performance on each choice factor (criteria), farmers can make use of different decision-making rules to make the final decision. The decision-making rules will be discussed in Section 2.7.4.

2.7.1 Appropriate evaluative criteria (choice factors)

The criteria consumers use to evaluate the alternatives available that constitute their evoked set, are usually expressed in terms of important attributes or factors. Evaluative criteria can be described as those features or characteristics that consumers are looking for when buying a specific product or service (Hawkins *et al.,* 2004:566). During and after the time that consumers gather information about various alternative solutions to a recognised problem, they evaluate the alternatives and select the source of action that seems most likely to solve the problem. Evaluative criteria are used to compare the different brands, products or companies. According to Hawkins *et al.* (2004:526), the evaluative criteria used by the consumer, how the consumer perceives the various

alternatives and the relative importance of each criteria are the critical first step for companies in utilising evaluative criteria to develop marketing mix strategies.

Farmers apply evaluation criteria to the ultimate decision on which wire brand to purchase. Firstly, prospective buyers determine which factors to consider (evaluative criteria) in making their decisions and secondly, the relative importance of each evaluative criterion that they will use to assess each wire brand (Kotler & Fox, 1995:253). In the instance of farmers selecting a wire brand, the evaluative criteria that they use are referred to as choice factors. A better understanding of the evaluative criteria or choice factors that influence brand preference among farmers can help wire manufacturers to better their marketing efforts in order to attract new customers by ensuring that their marketing strategy emphasises those important criteria.

One of the study's objectives is to investigate the relative importance of each choice factor that farmers use in their selection process. Section 2.7.2 will focus on the importance of evaluative criteria.

2.7.2 Importance of each evaluative criterion (choice factors)

The importance assigned to evaluative criteria can differ from consumer to consumer and needs to be measured. The information obtained from such a measurement can help organisations to plan and design their marketing mix in such a way as to ensure customer satisfaction (Hawkins, Best & Coney, 2001:570-575). Literature and previous studies do not only report on the choice factors farmers use (refer Section 2.7.1), but also suggest that some choice factors may be more important than others. The understanding of evaluative criteria is essential for developing and communicating appropriate brand/product features by means of marketing to the target market. The farmer has certain perceptions about where each wire brand/product stands on each attribute.

The attributes the farmer will investigate is quality, price, application and availability.

After farmers have decided upon the appropriate criteria (choice factors), they will use and assign importance to the factors, as well as rank or weigh each available wire brand/product until one or more is selected. Section 2.7.3 will explain this process.

2.7.3 The existence of various alternatives considered

As the consumer engages in the search activity, there is also an active engagement in information evaluation. As consumers gather information, they learn about competing brands and this is captured through the brand elimination process. Kotler and Armstrong (1999:245) define a brand as a name, term, sign, symbol or design or a combination of those intended to identify the goods or services of one seller or groups of sellers and to distinguish them from those of the competitors. For wire manufacturers, their brand does not only consist of the name and symbol of the organisation, it also embodies the vision, philosophy, cultural values and style of the organisation. The brand gives the organisation a personality, identity and image.

Figure 2.3 depicts the brand elimination process leading to an organisation's acceptance or rejection by a consumer.

After searching for appropriate choice factors, consumers seek appropriate alternative brands. Figure 2.3 indicates the five-stage brand elimination process. According to Lamb *et al.* (2004:144), the brands that consumers consider as a possible solution for their problem/need are called the awareness set. Rosen, Curran and Greenlee (1988:62-63) claim that an organisation's ability to influence consumers is stronger during the awareness and considerations set than it is at the time of choice. Kotler and Fox (1995:251) define the unawareness set as the brands a consumer has not heard about. Unfortunately, brands in a consumer's unawareness set will never be considered unless they somehow make their way into the awareness set of the consumer. From the awareness set, the consumer makes the first choice, narrowing down those brands in the awareness set into three subsets called the evoked set, the inert set and the inept set (Schiffman & Kanuk, 2004:559). This process is an attempt to reduce the

alternatives to a more manageable number and to allow a rational choice among the most viable alternatives.

Those brands that the consumer feel are completely unworthy for further consideration are called the inept set and the brands which are seen as possible back-ups are called the inert set. The evoked set is the brands that the consumer considers as a possible solution to his/her need/problem. A specific brand is then selected from the choice set. Ideally an organisation would aim to be included in a consumer's total set, the awareness set, the evoked set and the choice set, and finally being selected by the consumer. This success sequence is indicated in grey in Figure 2.3.

Figure 2.3: The five stage brand elimination model
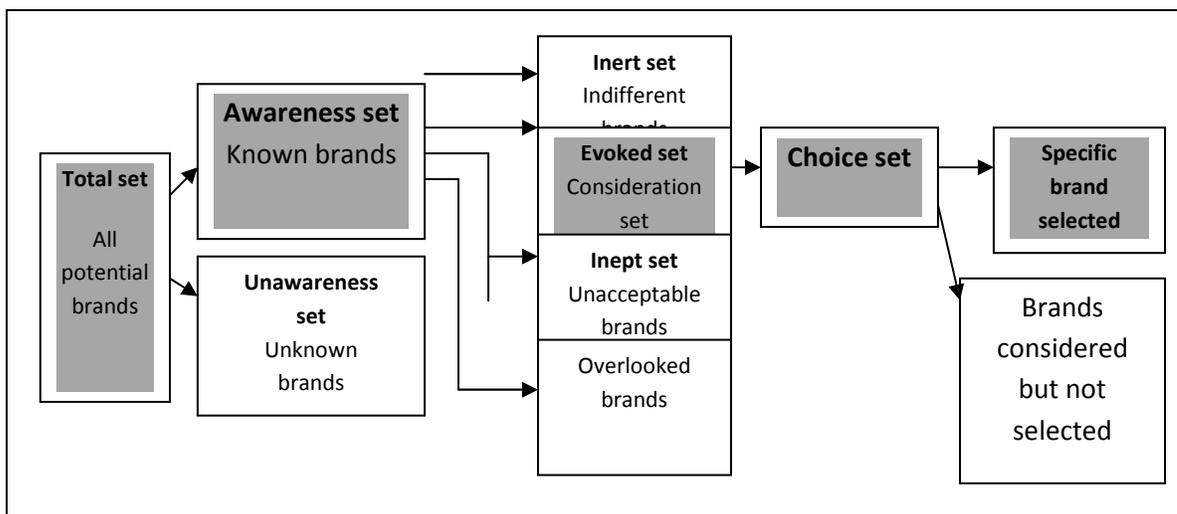
(Source: Hawkins et al., 2004:529)

2.7.4 Decision rules

When consumers judge alternative brands on several evaluative criteria, they must have some method to select one brand from the various choices. Decision rules serve this function (Hawkins *et al.,* 2001:584).

Consumers have different decision-making styles based on the evaluative criteria (choice factors) that are important to them (Durvasula, Lysonski & Andrews, 1993:55).

For example, a farmer's decision-making style can be described as price sensitive if he/she attaches a high importance to the choice factor, price. If organisations understand the decision-making styles and decision rules used by prospective buyers, they can attempt to influence farmers' decision-making.

The ultimate result of the evaluation process, as explained in this section, is the selection and purchase or non-purchase of the chosen brand.

2.8   STEP 4: OUTLET SELECTION AND PURCHASE

As the decision-making process moves through problem recognition, information searches, alternative evaluation and the selection, the consumer finally reaches the point at which the actual purchase is made (Peter & Olson, 2005:179). The outcome of brand evaluation is an intention to buy or not to buy. The purchase transaction is the key point at which the organisation and the farmer come together in the economic system.

Wire manufacturers can try to increase the probability of brand selection by adapting their price, product, distribution, communication, people, process and physical evidence strategies to affect the probability of exposure and selection.

Farmers are faced with different purchase decisions that can also be applied to the agriculture wire industry (Arnould *et al.,* 2004:676-677):
- The farmer makes the basic purchase decision in response to need recognition, for example, he wants to fence his farm; therefore, he will need to purchase the wire.
- The farmer may opt to make a particular product category decision, such as purchasing Barbed wire instead of High Strain wire.
- Farmers may make a brand purchase decision when they consider which brand of wire to purchase, for example, choosing between CWI and Cape Gate wire products.

- Payment decisions are related to the payment method and terms of payment, for example, using 30 day account at co-op, cash or credit card, or other means.

According to Hawkins *et al.* (2004:588), the appropriate marketing strategies for organisations will differ depending on the decision sequence generally used by the consumer. It is therefore important for organisations to know which sequence their target market follows to enable them to use the appropriate strategies. There are three basic sequences a consumer can follow when making a purchase decision:

- Product first and outlet second. In this scenario the farmer first decides what wire product he would like to buy and then from whom he wants, or where he wants to buy it. Other strategies include a variety of wire products on offer, or focusing on better priced or superior quality products to differentiate the manufacturer's product from competitors.

- Outlet first and product second. In this instance, the farmer will first decide from whom he wants to purchase his wire, and then decides which specific wire products he would like to buy. When faced with this sequence, organisations must concentrate on image advertising, convenient location and their overall package such as their service, quality, price, distribution and so on.

- Product and outlet simultaneously. Farmers sometimes simultaneously decide which wire product and from which manufacturer to buy it from. In this situation, organisations can make use of a combination of the strategies mentioned above. High service levels or low price structures are other strategies to be used by organisations in this sequence of decision-making.

Once the outlet has been selected, the consumer must acquire the rights to the product (Arnould *et al.,* 2004:677). Traditionally, this involves giving cash to acquire the right to a product. Berman and Evans (2001:235) point out that it is important for organisations to get an idea of the purchasing patterns of consumers in terms of when and how they purchase. This will enable wire manufacturers to ensure that they have the necessary facilities, processes, resources and services in place to ensure a convenient purchasing process for farmers.

The actual purchase of the item may be subject to various unanticipated situational factors, for example, wire product availability. If the item cannot be purchased, a substantial risk may be involved. Wire manufacturers must engage with the customer to make sure risk is reduced and uncertainty by ensuring the customer is well informed about the products and what is available. Therefore, the wire manufacturer needs to manage and build a relationship with the farmer from the first enquiry through the purchase and beyond.

After the consumer has selected an outlet and purchased the product, the final step in the decision-making process is reached when farmers engage in post-purchase behaviour.

2.9   STEP 5: POST-PURCHASE BEHAVIOUR

The consumer's decision-making process does not end with the purchase. A consumer's post-purchase behaviour consists of post-purchase dissonance, product use, product disposition and purchase evaluation. Some purchases are followed by post-purchase dissonance and/or use while other purchases are followed by non-use. In this instance, a consumer keeps or returns the product without using it. For example, the farmer purchases a roll of wire and when he gets to the farm realises he purchased the wrong type of wire, he then returns the roll without using it. Most purchases are however followed by use, even if post-purchase dissonance is present. Product use often requires the disposing of the product or product packaging.

The elements included in post-purchase behaviour of a product are: post-purchase dissonance, product use and product evaluation and will be briefly discussed in the next section.

2.9.1 Post-purchase dissonance

Post-purchase dissonance can be described as the doubt or anxiety experienced after making a difficult, relatively permanent decision. Berman and Evans (2001:236) point out that a purchase decision usually involves two or more close alternatives and the decision could go either way, and this contributes to doubt or anxiety. According to Du Plessis and Rousseau (2005:121), consumers, having made their decisions, may feel insecure about their choice, and any negative information about a chosen product causes post-purchase dissonance, which is conflict resulting from two contradictory beliefs.

An important component of managing post-purchase evaluation is the reduction of any uncertainty or doubt that the consumer might have about the choice he/she had made (Schiffman & Kanuk, 2004:570). In order to reduce post-purchase dissonance, organisations need to know what influences the magnitude of post-purchase behaviour. The probability of a consumer experiencing post-purchase dissonance as well as the magnitude of such dissonance depends on several factors (Schiffman & Kanuk, 2004:571). These factors are highlighted below.

- The degree of commitment to the decision. The easier it is to alter the decision, the less likely the consumer is to experience dissonance. With the purchase of wire products the degree of commitment to the decision is quite high as it is products that are not purchased on a regular basis; it is a capital investment to the infrastructure of the farm.
- The **importance** of the decision to the consumer. The more important the decision, the greater the likelihood that dissonance will occur. When a farmer purchases wire products it is quite important, to make sure his livestock is kept safe and secure on the farm, therefore it is quite an important decision when making the purchase.
- The **difficulty** of choosing among the alternatives. The more difficult it is to select among the alternatives, the more likely the experience and magnitude of

experiencing dissonance. When making such a capital investment to purchase wire products the farmer will weigh all options before making a purchase, sometimes due to the choice of specific line items between competitors it can be difficult to choose among alternatives.

- The individual's **tendency to experience anxiety**. Some individuals have a higher tendency to experience anxiety, the greater the possibility to experience dissonance. This will differ from farmer to farmer.

Every time farmers make purchases, they add to their buying experiences. The more often a product is purchased, the more routine the purchase decision becomes. In routine buying situations, consumers are likely to have fewer second thoughts as to the wisdom of purchases. However, consumers will typically experience some post-purchase anxieties when the purchase is less routine, as is the case with wire products.

Organisations can increase the desirability of their brand, decrease the desirability of competitive alternatives or decrease the importance of the purchase decision in order to try and reduce dissonance. According to Hawkins *et al.* (2004:628), the consumer's search for information after the purchase greatly enhances the role that advertising and follow-up sales efforts can have. To build consumer confidence in choosing their brand, organisations can design advertisements for recent purchases in the hope of helping to reduce post-purchase dissonance. Organisations need to reduce the dissonance that farmers experience after purchasing at their store in order to increase the probability that the farmer will buy from them again.

According to Schiffman and Kanuk (2004:571), consumers try to reduce dissonance by rationalising their decisions as being wise, returning the purchase or turning to satisfied owners to be reassured, seeking information to support their choice and avoiding information of competitive brands.

Most consumer purchases involve nominal or limited decision-making and therefore arouse little or no post-purchase dissonance. Even when post-purchase dissonance occurs, such as wire brand/product selection, it is still generally followed by product use.

2.9.2 Product use

Organisations are interested in product use for many reasons. First, consumers use products to fulfil needs. If the product does not fulfil the need, a negative evaluation may result. Observing consumers as they use products can be an important source of new product ideas. Organisations can also take advantage of the fact that the use of one service product may require or suggest the use of another product, leading to multi-category purchases. Finally, monitoring product use can indicate product modification and appropriate advertising themes. Organisations have to make sure they teach farmers the proper way to use their product to limit confusion and increase satisfaction. Proper use and increased satisfaction may lead to a positive experience for the farmers and therefore a positive evaluation.

2.9.3 Purchase evaluation

Post-purchase dissonance, product use and disposition are all potential influences on the purchase evaluation process (Arnould *et al.,* 2004:346-347). During and after purchasing and using a product, the consumer determines the level of satisfaction or dissatisfaction. This will be determined by the relationship between the consumer's expectations and the organisation's perceived performance.

Every farmer has expectations about the wire product he/she is going to purchase. These expectations are based on information received from friends, family, the organisation and other sources. If the farmer's expectation is met, there will be satisfaction. Farmers who are satisfied will probably recommend the brand/product to others. A satisfied farmer will keep buying from the same company and will say good things about the company to others (positive word-of-mouth).

However, farmers' expectations that are not met will lead to dissatisfaction. Dissatisfied farmers will probably stop buying from the company or spread negative information about the company.

Consumers may respond to these outcomes (satisfaction or dissatisfaction) verbally or through their behaviour. According to Athanassopoulos, Gunaris and Stathkapoulus (2001:687), the behavioural consequences of consumer satisfaction are threefold: firstly, a decision to stay with the existing service provider; secondly, the engagement in positive or negative word-of-mouth communications; and thirdly, the intention to switch service providers.

The post-purchase response of farmers is very important to the agriculture wire industry. In the case of positive reinforcement (satisfaction), successful marketing strategies are confirmed and in the case of negative response (dissatisfaction), they provide guidelines for corrective action to be taken by the company. Wire manufacturing companies should measure consumer satisfaction regularly and not only rely on customer complaints before they react. If the post-purchase process is managed correctly by the company, it can assist in retaining existing customers and recruiting new ones.

2.10 SUMMARY

The focus of Chapter 2 was on the decision-making process of farmers in Eastern Free State and for wire manufacturers the focus was on the farmers' wire selection process. The chapter started with a definition of consumer behaviour and a broad overview of different decision-making models to serve as background information. The remainder of the chapter focused on the model of consumer decision-making.

The consumer decision-making process and resulting buying patterns and preferences are an important area of study in consumer behaviour. The model of consumer behaviour consists of the decision-making process as well as the internal and external influences on the process. The decision-making process for wire product purchases amongst farmers in the Eastern Free State is a lengthy process. Farmers have to progress through five steps: problem/need recognition, information search, and evaluation of alternatives, selection and purchase as well as the post-purchase processes. The steps in the decision-making process are a good point of departure for wire manufacturers, helping them to identify areas in which they can manipulate or influence farmers' behaviour.

The first step, problem/need recognition, occurs if there is a difference between the actual and desired state of farmers. Companies can react by supplying products to satisfy the recognised needs or initiated needs through an effective communication campaign whereby farmers are made aware of new products and new needs. The emphasis of the second step is the provision of information. The sources of information that farmers make use of, type of information and amount of searches farmers engage in are of great importance to companies. Research investigating farmers' search activity provides companies with knowledge on which information to make available to farmers and which sources to use to reach farmers. The third step in the decision-making process is the evaluation of the available alternatives based on comparing important evaluation criteria (choice factors). If companies know which factors farmers use to evaluate and choose specific wire brand, they can ensure that they address those factors through their image, positioning, advertising, distribution, promotion and other marketing strategies. The fourth step involves the actual selection of the outlet, coop, distributor, or direct at opposition and the purchase of a product, namely double stranded 1.60mm fully galvanized barbwire. The fifth step consists of the post-purchase processes: dissonance, product use and evaluation. Wire manufacturers can assist farmers after the purchase of the product to reduce dissonance and help them to optimally use the product. As a result the farmers will positively evaluate the service encounter and satisfaction will occur.

The decision-making process does not take place in isolation, as it is influenced by internal and external factors. The internal influences deal with how farmers react to group influence, environmental changes and a company's marketing mix. The demographics (age, gender and race) of farmers, their processing of information (perception), learning, needs and motivation as well as their personalities and emotions can influence the process. Farmers' attitudes towards products, brands and companies as well as the way farmers live (lifestyle) are other internal influences on the decision-making process.

The external influences are those factors outside the farmer that influence and affect his/her decision-making. Cultural background, social class, reference groups, household and the marketing mix used by companies are all external factors that influence the farmer's decision-making process.

Studying the consumer decision-making process provides a basis for wire manufacturers to understand their market and to develop a total marketing strategy, since it presents an integrated view of all the characteristics that may influence the farmer's behaviour. The knowledge will aid manufacturers in the development of effective price, product, distribution, people, process, physical evidence and promotional strategies in order to attract farmers and create consumer satisfaction.

Chapter 2 served as the literature review and theoretical background to this study. The next chapter will explain the research methodology used in the study.

CHAPTER 3
RESEARCH METHODOLOGY

3.1 INTRODUCTION

The old conventional rules of business no longer apply and local and global competition, rapid technological progress, new markets and customers will force wire manufacturing companies to become more in touch with the buying behaviour of consumers in order to survive and prosper.

Management of the wire manufacturing concerns have to adapt and accept the challenge to foster a climate to enhance skills and use what they learn from consumer behaviour as a strategic tool to create flexibility, change, innovation and responsiveness in order to sustain a competitive advantage in the industry.

The primary objective of this study was to identify factors that play a role in the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

This chapter provides insight into ways and methods that were employed in gathering the information for the empirical research of this study. The sample and demographic frame are discussed, as well as the sampling method and size. Furthermore the method of data collection and questionnaires are described. The chapter will further investigate the data processing, analysis and evaluation of results.

3.2 GATHERING OF DATA

The process followed to gather the data will be discussed in this section.

3.2.1 Study population

The study population for this study consisted of one population. The study population consisted of farmers in the Eastern Free State of South Africa. The study population consisted of a total study population since it included farmers within the Eastern Free State. No sampling technique was therefore required. With the assistance of the various farmers' associations in each of the regions it was possible to reach most of the farmers required. A list of the farmers was subsequently provided by each of the farmers' association chairpersons in the Eastern Free State of South Africa.

3.2.2 Questionnaire used in this study

In order to confirm and further enhance and substantiate the literature review findings discussed up to now and to assess the buying behaviour of farmers in the Eastern Free State we made use of an edited version of a questionnaire previously used to conduct agricultural research.

"Assessment of buying behaviour within the wire industry – for the purpose of assessing buying behaviour amongst farmers in the Eastern Free State when purchasing wire products." The questionnaire consists of 60 statements, with measuring based on a five-point Likert scale.

The questionnaire consists of 4 parts, namely:

Part 1: Purchase frequency, from whom do they purchase and age group.

Part 2: The wire industry in general consists of 10 statements.

Part 3: The wire company/agent/distributor/co-operative from whom I buy consists of 38 statements.

Part 4: How do you feel about different brands in the wire industry? This section consists of 12 statements.

3.2.3 Sample design

Another critical consideration in determining a study's methodology is the selection of a sample. There are two types of sampling, namely probability and non-probability sampling.

3.2.3.1   Probability sampling

According to Welman, Kruger and Mitchell (2010) the examples of probability sampling are:

- Simple random samples: Sampling procedure that assures that each element in the population has an equal chance of being selected.
- Stratified random samples: The sample is designed so that a predetermined number of items are chosen from each stratum or section.
- Systematic samples
- Cluster samples: The items in the universe are divided in groups and then any number of these groups is selected at random.

3.2.3.2   Non-probability sampling

According to Welman *et al.* (2010), the examples of non-probability sampling are:

- Accidental or incidental samples
- Quota samples: Universe items (respondents) may also be selected according to their characteristics (e.g. age, income, gender).
- Purposive samples
- Snowball samples
- Self-selection samples
- Convenience samples: Chosen purely on the basis of availability. Respondents are selected because they are accessible and articulate.

3.2.4 Sampling method used in the study

For the purpose of this study a probability sampling method was used. The specific method used was a combination of a quota and random probability sample. In random sampling the researcher assures that each element in the population has an equal chance of being selected.

3.3 DATA PROCESSING

The data collected were statistically analysed using Moonstats version 2 (2001-2005).

3.3.1 Frequency of wire purchasing

The purpose of determining the frequency of wire purchasing is to see how frequently the study population purchases wire products.

Table 3.1: Frequency table for FREQUENCY

```
-------------------------------------------------
Value           N       %       Cum. %
-------------------------------------------------
Monthly         25      50.00   50.00
Yearly          20      40.00   90.00
Longer          5       10.00   100.00
-----------------------------------------------
TOTAL           50      100.00
-----------------------------------------------
Missing cases: 1
```

After completing the study it was found that 50% of the population buy on a monthly basis, 40% on a yearly basis and 10% on a longer basis.

3.3.2 Purchasing – From whom do you purchase the wire?

The purpose of this is to determine from whom the study population purchase their wire products.

Table 3.2: Frequency table for PURCHASING

```
-----------------------------------------------
Value          N        %        Cum. %
-----------------------------------------------
Agent          9       18.00     18.00
Distributor    2        4.00     22.00
Coop          39       78.00    100.00
-----------------------------------------------
TOTAL         50      100.00
-----------------------------------------------
Missing cases: 1
```

After completing the study it was found that 78% of the population purchases their wire products from the co-op, 18% from an agent and 4% from a distributor.

3.3.3 Age

The purpose of determining the age of the respondents is to see from the total population, who falls into what age category.

After completion of the study it was found that the population per age was as follows:

Table 3.3: Frequency table for AGE

```
---------------------------------------------
Value          N        %       Cum. %
---------------------------------------------
20-30          4       8.00      8.00
31-40          8      16.00     24.00
41-50         19      38.00     62.00
51+           19      38.00    100.00
---------------------------------------------
TOTAL         50     100.00
---------------------------------------------
```

3.3.4 The wire industry in general

- Purpose of questions

This is to get an idea of what the impressions of the farmers are of the wire industry in general, and how these impressions influence their buying behaviour when purchasing wire products.

Question 1 – *The not understanding or understanding of farmers needs.*

Table 3.4: Frequency table for QUESTION1

```
-----------------------------------------------
Value        N       %       Cum. %
-----------------------------------------------
3            2      4.00      4.00
4           30     60.00     64.00
5           18     36.00    100.00
-----------------------------------------------
TOTAL       50    100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 60-96% of the population do believe that the wire industry have an understanding of their needs.

Question 2 – *The industry is not too progressive or always improving.*

Table 3.5: Frequency table for QUESTION 2

```
----------------------------------------------
Value        N       %      Cum. %
----------------------------------------------
3            7     14.00     14.00
4           30     60.00     74.00
5           13     26.00    100.00
----------------------------------------------
TOTAL       50    100.00
----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that between 60-86% of the population believe that the industry is always improving.

Question 3 – *The industry uses low technology or high technology.*

Table 3.6: Frequency table for QUESTION 3

```
-----------------------------------------------
Value       N       %        Cum. %
-----------------------------------------------
2           1       2.00     2.00
3           8       16.00    18.00
4           24      48.00    66.00
5           17      34.00    100.00
-----------------------------------------------
TOTAL     50      100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that between 48-82% of the population believe that the industry uses high technology.

Question 4 – *Not playing an important role in my business or playing an important role in my business.*

Table 3.7: Frequency table for QUESTION 4

```
-----------------------------------------------
Value       N       %        Cum. %
-----------------------------------------------
3           1       2.00     2.00
4           24      48.00    50.00
5           25      50.00    100.00
-----------------------------------------------
TOTAL     50      100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that between 48 – 98% of the population believe that the wire industry plays an important role in their business.

Question 5 – *Is old fashioned or modern.*

Table 3.8: Frequency table for QUESTION 5

Value	N	%	Cum. %
2	1	2.00	2.00
3	7	14.00	16.00
4	23	46.00	62.00
5	19	38.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that between 46-84% of the population believe that the wire industry is modern.

3.3.5 The wire company/agent/distributor/co-operative from whom I buy

• Purpose of questions

The purpose here is to get an idea of what the respondents' impressions are of the wire company/agent/distributor/co-operative they do business with on a regular basis. Also how these impressions influence their buying behaviour when purchasing wire products.

Question 6 – *Supply unattractive or supply attractive products*

Table 3.9: Frequency table for QUESTION 6

Value	N	%	Cum. %
3	1	2.00	2.00
4	32	64.00	66.00
5	17	34.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that between 46-98% of the population believe that the wire company/agent/distributor/co-operative supply attractive products.

Question 7 – *Provide a slow service or a fast service*

Table 3.10: Frequency table for QUESTION 7

Value	N	%	Cum. %
2	1	2.00	2.00
3	9	18.00	20.00
4	19	38.00	58.00
5	21	42.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that between 38-80% of the population believe that the wire company/agent/distributor/co-operative provides a fast service.

Question 8 – *Provide meek advertising or aggressive advertising*

Table 3.11: Frequency table for QUESTION 8

Value	N	%	Cum. %
1	1	2.00	2.00
2	2	4.00	6.00
3	8	16.00	22.00
4	24	48.00	70.00
5	15	30.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that between 34-78% of the population believe that the wire company/agent/distributor/co-operative has aggressive advertising.

Question 9 – *Have unreputable or reputable products*

Table 3.12: Frequency table for QUESTION 9

```
-----------------------------------------------
Value        N        %        Cum. %
-----------------------------------------------
3            5      10.00      10.00
4           26      52.00      62.00
5           19      38.00     100.00
-----------------------------------------------
TOTAL       50     100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that between 52-90% of the population believe that the wire company/agent/distributor/co-operative sell reputable products.

Question 10 – *Sell unfamiliar or familiar products*

Table 3.13: Frequency table for QUESTION 10

```
-----------------------------------------------
Value        N        %        Cum. %
-----------------------------------------------
3            6      12.00      12.00
4           25      50.00      62.00
5           19      38.00     100.00
-----------------------------------------------
TOTAL       50     100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that between 50-88% of the population believe that the wire company/agent/distributor/co-operative sells familiar products.

Question 11 – *Is an unsuccessful or successful organisation*

Table 3.14: Frequency table for QUESTION 11

Value	N	%	Cum. %
2	2	4.00	4.00
3	2	4.00	8.00
4	23	46.00	54.00
5	23	46.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that between 46-92% of the population believe that the wire company/agent/distributor/co-operative is successful.

Question 12 – *Give no credit or give credit*

Table 3.15: Frequency table for QUESTION 12

Value	N	%	Cum. %
3	9	18.00	18.00
4	20	40.00	58.00
5	21	42.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 40-82% of the population agrees that the wire company/agent/distributor/co-operative gives credit.

Question 13 – *Deliver bad product performance or good product performance*

Table 3.16: Frequency table for QUESTION 13

Value	N	%	Cum. %
3	7	14.00	14.00
4	27	54.00	68.00
5	16	32.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 54-86% of the population agrees that the wire company/agent/distributor/co-operative delivers good product performance.

Question 14 – *Provide low stock levels or provide high stock levels.*

Table 3.17: Frequency table for QUESTION 14

Value	N	%	Cum. %
2	1	2.00	2.00
3	17	34.00	36.00
4	25	50.00	86.00
5	7	14.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 50-68% of the population agrees that the wire company/agent/distributor/co-operative provides high stock levels.

Question 15 – *Is unpleasant to do business with or is pleasant to do business with*

Table 3.18: Frequency table for QUESTION 15

```
-----------------------------------------------
Value       N       %        Cum. %
-----------------------------------------------
3            5      10.00     10.00
4           16      32.00     42.00
5           29      58.00    100.00
-----------------------------------------------
TOTAL     50       100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 32-90% of the population agrees that it is pleasant to do business with the wire company/agent/distributor/co-operative.

Question 16 – *Have an invisible logo or have a visible logo*

Table 3.19: Frequency table for QUESTION 16

```
-----------------------------------------------
Value       N       %        Cum. %
-----------------------------------------------
1            1       2.00      2.00
3            2       4.00      6.00
4           32      64.00     70.00
5           15      30.00    100.00
-----------------------------------------------
TOTAL     50       100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 64-94% of the population agrees that the wire company/agent/distributor/co-operative has visible logos.

Question 17 – *Advertise infrequently or advertise frequently*

Table 3.20: Frequency table for QUESTION 17

```
-----------------------------------------------
Value        N       %       Cum. %
-----------------------------------------------
1            1      2.00      2.00
3           12     24.00     26.00
4           28     56.00     82.00
5            9     18.00    100.00
-----------------------------------------------
TOTAL       50    100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 56-74% of the population agrees that the wire company/agent/distributor/co-operative advertise frequent.

Question 18 – *Have no promotions or have frequent promotions*

Table 3.21: Frequency table for QUESTION 18

```
-----------------------------------------------
Value        N       %       Cum. %
-----------------------------------------------
1            1      2.00      2.00
2            1      2.00      4.00
3           14     28.00     32.00
4           24     48.00     80.00
5           10     20.00    100.00
-----------------------------------------------
TOTAL       50    100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 48-68% of the population agrees that the wire company/agent/distributor/co-operative has frequent promotions.

Question 19 – *Is uncertain if I would do business again or would definitely do business again.*

Table 3.22: Frequency table for QUESTION 19

```
---------------------------------------------
Value       N       %       Cum. %
---------------------------------------------
2           1       2.00    2.00
3           5       10.00   12.00
4           26      52.00   64.00
5           18      36.00   100.00
---------------------------------------------
TOTAL       50      100.00
---------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 52-88% of the population agrees that they would definitely do business again with the wire company/agent/distributor/co-operative.

Question 20 – *Have hazy communication or have clear communication*

Table 3.23: Frequency table for QUESTION 20

```
---------------------------------------------
Value       N       %       Cum. %
---------------------------------------------
3           7       14.00   14.00
4           25      50.00   64.00
5           18      36.00   100.00
---------------------------------------------
TOTAL       50      100.00
---------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 50-86% of the population agrees that the wire company/agent/distributor/co-operative has clear communication.

Question 21 – *Is rigid to do business with or is flexible to do business with.*

Table 3.24: Frequency table for QUESTION 21

Value	N	%	Cum. %
3	8	16.00	16.00
4	24	48.00	64.00
5	18	36.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 48-84% of the population agrees that it is flexible to do business with the wire company/agent/distributor/co-operative.

Question 22 – *Supply low quality or high quality at a competitive price*

Table 3.25: Frequency table for QUESTION 22

Value	N	%	Cum. %
2	1	2.00	2.00
3	10	20.00	22.00
4	18	36.00	58.00
5	21	42.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 36-78% of the population agrees the wire company/agent/distributor/co-operative supplies a high quality product at a competitive price.

Question 23 – *Their buying procedure is complicated or their buying procedure is buyer-friendly*

Table 3.26: Frequency table for QUESTION 23

Value	N	%	Cum. %
3	6	12.00	12.00
4	26	52.00	64.00
5	18	36.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 52-88% of the population agrees the wire company/agent/distributor/co-operative's buying procedure is buyer friendly.

Question 24 – *Work on a collecting basis or do deliveries*

Table 3.27: Frequency table for QUESTION 24

Value	N	%	Cum. %
1	1	2.00	2.00
2	3	6.00	8.00
3	4	8.00	16.00
4	23	46.00	62.00
5	19	38.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 46-84% of the population agrees that the wire company/agent/distributor/co-operative does deliveries.

3.3.6 How do you feel about different brands in the wire industry?

- Purpose of questions

This was to get an understanding of how the respondents feel about different wire brands in the industry, and if brand does play a role in their buying behaviour of wire products.

Question 25 – *I sometimes use strange brands or I only use familiar brands*

Table 3.28: Frequency table for QUESTION 25

```
-----------------------------------------------
Value      N       %       Cum. %
-----------------------------------------------
1          1       2.00    2.00
3          8      16.00   18.00
4         17      34.00   52.00
5         24      48.00  100.00
-----------------------------------------------
TOTAL     50     100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 34-82% of the population agrees to only use familiar brands.

Question 26 – *I use plain brands or I prefer stylish brands*

Table 3.29: Frequency table for QUESTION 26

```
---------------------------------------
Value      N      %      Cum. %
---------------------------------------
1          1      2.00    2.00
2          2      4.00    6.00
3          16     32.00   38.00
4          19     38.00   76.00
5          12     24.00   100.00
---------------------------------------
TOTAL      50     100.00
---------------------------------------
Missing cases: 1
```

On completion of the study it was found that 38-62% of the population agrees to prefer stylish brands.

Question 27 – *I sometimes buy unstable brands or I only buy stable brands*

Table 3.30: Frequency table for QUESTION 27

```
-----------------------------------------------
Value      N      %      Cum. %
-----------------------------------------------
2          1      2.00    2.00
3          1      2.00    4.00
4          28     56.00   60.00
5          20     40.00   100.00
-----------------------------------------------
TOTAL      50     100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 56-96% of the population only buys stable brands.

Question 28 – *I like to test new products or I only buy reputable brands*

Table 3.31: Frequency table for QUESTION 28
```
-----------------------------------------------
Value        N        %       Cum. %
-----------------------------------------------
2            2      4.00      4.00
3            3      6.00     10.00
4           21     42.00     52.00
5           24     48.00    100.00
-----------------------------------------------
TOTAL       50    100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 42-90% of the population only buys reputable brands.

Question 29 – *The brand I buy have slow growth or the brand I buy have quick growth*

Table 3.32: Frequency table for QUESTION 29
```
-----------------------------------------------
Value        N        %       Cum. %
-----------------------------------------------
3            8     16.00     16.00
4           26     52.00     68.00
5           16     32.00    100.00
-----------------------------------------------
TOTAL       50    100.00
-----------------------------------------------
Missing cases: 1
```

On completion of the study it was found that 52-84% of the population agrees that they only buy brands with quick growth.

Question 30 – *The brand I use have a weak public image or the brand I use have strong public image*

Table 3.33: Frequency table for QUESTION 30

Value	N	%	Cum. %
1	1	2.00	2.00
3	5	10.00	12.00
4	22	44.00	56.00
5	22	44.00	100.00
TOTAL	50	100.00	

Missing cases: 1

On completion of the study it was found that 44-88% of the population agrees that the brand they use have a strong public image.

3.3.7 Correlation

1. Frequency and Purchasing

Pearson product moment correlation for FREQUENCY and PURCHASING

r (x,y)= 0.04

n   = 50

p   = 0.788

In this case the value of r is 0.04 which can be considered a weak correlation.
The p value is 0.788 which means that the correlation is not statistically significant.

"FREQUENCY and PURCHASING are not statistically significantly correlated (r=0.04; p=0.788)."

2. Frequency and Age

Pearson product moment correlation for FREQUENCY and AGE:

$r(x,y) = 0.07$

$n = 50$

$p = 0.621$

In this case the value of r is 0.07 which can be considered a weak correlation. The p value is 0.621 which means that the correlation is not statistically significant.

"FREQUENCY and AGE are not statistically significantly correlated (r=0.07; p=0.621)."

3. Purchasing and Age

Pearson product moment correlation for PURCHASING and AGE:

$r(x,y) = 0.31$

$n = 50$

$p = 0.027$

In this case the value of r is 0.31 which can be considered a moderately strong correlation. The p value is 0.027 which means that the correlation is statistically significant.

"PURCHASING and AGE are statistically significantly correlated at the 5% level (r=0.31; p=0.027)."

4. Frequency and Question 1: Have no understanding of farmer's requirements and have understanding of farmer's requirements

Pearson product moment correlation for FREQUENCY and QUESTION 1:

r (x,y)= -0.31
n   = 50
p   = 0.029

In this case the value of r is -0.31 which can be considered a moderately strong correlation. The p value is 0.029 which means that the correlation is statistically significant.

"FREQUENCY and QUESTION 1 are statistically significantly correlated at the 5% level (r=-0.31; p=0.029)."

5. Frequency and Question 11: Is an unsuccessful organisation or is a successful organisation.

Pearson product moment correlation for FREQUENCY and QUESTION 11:

r (x,y)= -0.29
n   = 50
p   = 0.038

In this case the value of r is -0.29 which can be considered a moderate correlation. The p value is 0.038 which means that the correlation is statistically significant.

"FREQUENCY and QUESTION 11 are statistically significantly correlated at the 5% level (r=-0.29; p=0.038)."

6. Purchasing and Question 2: Is not too progressive or is always improving

Pearson product moment correlation for PURCHASING and QUESTION 2:

r (x,y) = -0.44

n   = 50

p   = 0.001

In this case the value of r is -0.44 which can be considered a moderately strong correlation. The p value is 0.001 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 2 are statistically significantly correlated at the 1% level (r=-0.44; p=0.001)."

7. Purchasing and Question 3: Use low technology or use high technology.

Pearson product moment correlation for PURCHASING and QUESTION 3:

r (x,y)= -0.39

n   = 50

p   = 0.006

In this case the value of r is -0.39 which can be considered a moderately strong correlation.

The p value is 0.006 which means that the correlation is statistically significant.
"PURCHASING and QUESTION 3 are statistically significantly correlated at the 1% level (r=-0.39; p=0.006)."

8. Purchasing and Question 4: Not playing an important role in my business or play an important role in my business.

Pearson product moment correlation for PURCHASING and QUESTION 4

      r(x,y)= -0.40

      n   = 50

      p   = 0.004

In this case the value of r is -0.40 which can be considered a moderately strong correlation.

The p value is 0.004 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 4 are statistically significantly correlated at the 1% level (r=-0.40; p=0.004)."

9. Purchasing and Question 5: Is old-fashioned or is modern

Pearson product moment correlation for PURCHASING and QUESTION 5

      r(x,y)= -0.35

      n   = 50

      p   = 0.014

In this case the value of r is -0.35 which can be considered a moderately strong correlation.

The p value is 0.014 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 5 are statistically significantly correlated at the 5% level (r=-0.35; p=0.014)."

10. Purchasing and Question 7: Provide slow service or provide fast service.

Pearson product moment correlation for PURCHASING and QUESTION 7

     r(x,y)= -0.29

     n   = 50

     p   = 0.041

In this case the value of r is -0.29 which can be considered a moderate correlation.

The p value is 0.041 which means that the correlation is statistically significant. You could report this as follows:

"PURCHASING and QUESTION 7 are statistically significantly correlated at the 5% level (r=-0.29; p=0.041)."

11. Purchasing and Question 9: Have unreputable products or have reputable products.

Pearson product moment correlation for PURCHASING and QUESTION 9

     r(x,y)= -0.38

     n   = 50

     p   = 0.006

In this case the value of r is -0.38 which can be considered a moderately strong correlation.

The p value is 0.006 which means that the correlation is statistically significant.
"PURCHASING and QUESTION 9 are statistically significantly correlated at the 1% level (r=-0.38; p=0.006)."

12. Purchasing and Question 10: Sell unfamiliar products or sell familiar products.

Pearson product moment correlation for PURCHASING and QUESTION 10

    r(x,y)= -0.42
    n   = 50
    p   = 0.002

In this case the value of r is -0.42 which can be considered a moderately strong correlation.

The p value is 0.002 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 10 are statistically significantly correlated at the 1% level (r=-0.42; p=0.002)."

13. Purchasing and Question 12: Give no credit or give credit.

Pearson product moment correlation for PURCHASING and QUESTION 12

    r(x,y)= -0.29
    n   = 50
    p   = 0.043

In this case the value of r is -0.29 which can be considered a moderate correlation.
The p value is 0.043 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 12 are statistically significantly correlated at the 5% level (r=-0.29; p=0.043)."

14. Purchasing and Question 13: Deliver bad product performance or deliver good product performance.

Pearson product moment correlation for PURCHASING and QUESTION 13

    r(x,y)= -0.37
    n   = 50
    p   = 0.008

In this case the value of r is -0.37 which can be considered a moderately strong correlation.

The p value is 0.008 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 13 are statistically significantly correlated at the 1% level (r=-0.37; p=0.008)."

15. Purchasing and Question 18: Have no promotions or have frequent promotions

Pearson product moment correlation for PURCHASING and QUESTION 18

    r(x,y)= 0.29
    n   = 50
    p   = 0.042

In this case the value of r is 0.29 which can be considered a moderate correlation.

The p value is 0.042 which means that the correlation is statistically significant. You could report this as follows:

"PURCHASING and QUESTION 18 are statistically significantly correlated at the 5% level (r=0.29; p=0.042)."

16. Purchasing and Question 20: Have hazy communication and have clear communication

Pearson product moment correlation for PURCHASING and QUESTION 20

r(x,y)= -0.41
n   = 50
p   = 0.003

In this case the value of r is -0.41 which can be considered a moderately strong correlation.

The p value is 0.003 which means that the correlation is statistically significant. You could report this as follows:

"PURCHASING and QUESTION 20 are statistically significantly correlated at the 1% level (r=-0.41; p=0.003)."

17. Purchasing and Question 21: Is rigid to do business with or is flexible to do business with.

Pearson product moment correlation for PURCHASING and QUESTION 21

r(x,y)= -0.41

n   = 50

p   = 0.003

In this case the value of r is -0.41 which can be considered a moderately strong correlation.

The p value is 0.003 which means that the correlation is statistically significant. You could report this as follows:

"PURCHASING and QUESTION 21 are statistically significantly correlated at the 1% level (r=-0.41; p=0.003)."

18. Purchasing and Question 22: Supply low quality at a competitive price or supply high quality at a competitive price.

Pearson product moment correlation for PURCHASING and QUESTION 22

r(x,y)= -0.42

n   = 50

p   = 0.002

In this case the value of r is -0.42 which can be considered a moderately strong correlation.

The p value is 0.002 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 22 are statistically significantly correlated at the 1% level (r=-0.42; p=0.002)."

19. Purchasing and Question 23: Their buying procedure is complicated or their buying procedure is buyer friendly.

Pearson product moment correlation for PURCHASING and QUESTION 23

$r(x,y)$= -0.56

n   = 50

p   = 0.000

In this case the value of r is -0.56 which can be considered a strong correlation.

The p value is 0.000 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 23 are statistically significantly correlated at the 1% level (r=-0.56; p=0.000)."

 20. Purchasing and Question 24: Work on a collecting basis or do deliveries.

Pearson product moment correlation for PURCHASING and QUESTION 24

$r(x,y)$= -0.29

n   = 50

p   = 0.038

In this case the value of r is -0.29 which can be considered a moderate correlation.

The p value is 0.038 which means that the correlation is statistically significant.

"PURCHASING and QUESTION 24 are statistically significantly correlated at the 5% level (r=-0.29; p=0.038)."

21. Purchasing and Question 25: I sometimes use strange brands or I only use familiar brands.

Pearson product moment correlation for PURCHASING and QUESTION 25

$r(x,y) = -0.29$
$n = 50$
$p = 0.040$

In this case the value of r is -0.29 which can be considered a moderate correlation.

The p value is 0.040 which means that the correlation is statistically significant. "PURCHASING and QUESTION 25 are statistically significantly correlated at the 5% level (r=-0.29; p=0.040)."

22. Age and Question 11: Is an unsuccessful organisation or is a successful organisation.

Pearson product moment correlation for AGE and QUESTION 11

$r(x,y) = -0.29$
$n = 50$
$p = 0.039$

In this case the value of r is -0.29 which can be considered a moderate correlation.

The p value is 0.039 which means that the correlation is statistically significant.

"AGE and QUESTION 11 are statistically significantly correlated at the 5% level (r=-0.29; p=0.039)."

23. Age and Question 14: Provide low stock levels or provide high stock levels.

Pearson product moment correlation for AGE and QUESTION 14

$r(x,y)$= 0.30

n   = 50

p   = 0.037

In this case the value of r is 0.30 which can be considered a moderate correlation.

The p value is 0.037 which means that the correlation is statistically significant.

"AGE and QUESTION 14 are statistically significantly correlated at the 5% level (r=0.30; p=0.037)."

24. Age and Question 15: Is unpleasant to do business with or is pleasant to do business with.

Pearson product moment correlation for AGE and QUESTION 15

$r(x,y)$= -0.30

n   = 50

p   = 0.032

In this case the value of r is -0.30 which can be considered a moderately strong correlation.

The p value is 0.032 which means that the correlation is statistically significant.

"AGE and QUESTION 15 are statistically significantly correlated at the 5% level (r=-0.30; p=0.032)."

3.3.8 Cross tabulation / Chi-square

1. Frequency and Purchasing

Table 3.34: Cross tabulation of FREQUENCY by PURCHASING

```
     FREQUENCY
              Monthly Yearly  Longer  Total
     ---------------------------------------------------------------
     PURCHASING
     Agent          5       4       0       9
     Distributor    0       1       1       2
     Coop          20      15       4      39
     ---------------------------------------------------------------
     Total         25      20       5      50
     ---------------------------------------------------------------
     Missing: 1
```

 For example, in the table above, 5 cases obtained a value of
"Monthly" for FREQUENCY and a value of "Agent" for PURCHASING.

```
     Chi-square test
     --------------------------------------------------
     Chi-square = 5.29
     p        = 0.2590
     df       = 4
     Caution: 7 cells have expected frequencies smaller than 5. The result of the chi-square test
     should therefore be interpreted with caution.
     --------------------------------------------------
```

Here the probability value (p) is larger than 0.05, which means that there is no statistically significant relationship.

"FREQUENCY and PURCHASING are not statistically significantly related (chi-square=5.29; df=4; p=0.259)."

2. Frequency and Age

Table 3.35: Cross tabulation of FREQUENCY by AGE


```
        FREQUENCY
            Monthly  Yearly  Longer  Total
-----------------------------------------------------------
AGE
20-30              3       1       0     4
31-40              4       3       1     8
41-50              8       9       2    19
51+               10       7       2    19

-----------------------------------------------------------
Total      25    20     5     50
-----------------------------------------------------------
Missing: 1
```

For example, in the table above, 3 cases obtained a value of "Monthly" for FREQUENCY and a value of "20-30" for AGE.

Chi-square test
```
--------------------------------------------------
Chi-square = 1.77
p        = 0.9399
df       = 6
```
Caution: 8 cells have expected frequencies smaller than 5. The result of the chi-square test should therefore be interpreted with caution.
```
--------------------------------------------------
```

Here the probability value (p) is larger than 0.05, which means that there is no statistically significant relationship.

"FREQUENCY and AGE are not statistically significantly related (chi-square=1.77; df=6; p=0.940)."

3. Purchasing and Age

Table 3.36: Cross tabulation of PURCHASING by AGE

```
     PURCHASING
             Agent   Distribut  Coop    Total
     ------------------------------------------------------------
     AGE
     20-30          3        0        1       4
     31-40          1        0        7       8
     41-50          3        2       14      19
     51+            2        0       17      19
     ------------------------------------------------------------
     Total          9        2       39      50
     ------------------------------------------------------------
     Missing: 1
```

For example, in the table above, 3 cases obtained a value of "Agent" for PURCHASING and a value of "20-30" for AGE.

```
     Chi-square test
     --------------------------------------------------
     Chi-square = 13.16
     p        = 0.0406
     df       = 6
     Caution: 9 cells have expected frequencies smaller
     than 5. The result of the chi-square test should therefore be interpreted with caution.
     --------------------------------------------------
```

Here the probability value (p) is smaller than 0.05, which means that there is a 95% or better probability that there is a statistically significant relationship.

"PURCHASING and AGE are statistically significantly related at the 5% level (chi-square=13.16; df=6; p=0.041)."

3.4   SUMMARY

Methodological issues as well as considerations with regard to gathering the data were discussed at the start of this chapter. The survey results were then presented in frequency tables. The survey results were analysed in the context of the research objectives and the broader problem area.

The survey data included biographical information of all the farmers in the Eastern Free State that participated in the study. The biographical information only included age group.

The survey data also included information with regard to how often wire was purchased by respondents and from whom the wire was purchased.

The survey also sourced information with regard to the wire industry in general, the wire company/agent/distributor/co-operative from whom the respondents purchased their wire products and the respondents feelings about different brands in the wire industry. The information gathered by the survey was used in chapter four to construct the profile of factors that influence the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

CHAPTER 4:

CONCLUSIONS AND RECOMMENDATIONS

4.1　INTRODUCTION

The focus of this study was on the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

The purpose of this chapter is to conclude the empirical study by drafting a profile of the buying behaviour of farmers in the Eastern Free State when purchasing wire products. This chapter will further suggest tangible recommendations to facilitate wire manufacturers when marketing wire to the farmers in the Eastern Free State, followed by a critical evaluation of the study.

4.2　CONCLUSIONS ON THE EMPIRICAL STUDY

The following depicts the buying behaviour of farmers in the Eastern Free State when purchasing wire products as concluded in the empirical study conducted.

4.2.1　Biographical information results

From the study 38% of the respondents are aged 41-50 and 38% of the respondents are 51+. Therefore, 76% of the respondents are older than 41 years of age. The population for this study is therefore a more matured population.

4.2.2　Purchase frequency

Half of the respondents purchase wire products on a monthly basis and 40% on an annual basis. This is quite a huge number, indicating that wire products play an important role in farmers' monthly operations as well as on an annual basis on the farm.

4.2.3 From whom do they purchase?

Most of the respondents (78%) purchase their wire products from the co-op. A mere 18% make use of a manufacturer's agent.

4.2.4 The wire industry in general

The impression of the farmers in the Eastern Free State of the wire industry is very good. They believe the wire industry understands the farmers' needs and most of the respondents believe the industry is always improving. A high percentage of the respondents believe that the wire industry makes use of high technology. A number as high as 98% believe that the wire industry plays an important role in their business and most of the respondents believe the wire industry is modern.

4.2.5 The wire company/agent/distributor/co-operative from whom I buy

Most of the respondents believe that the wire company/agent/distributor/co-operative supplies attractive products. The company/agent/distributor/co-operative supplies farmers in the Eastern Free State with a fast service. The company/agent/distributor/co-operative also has aggressive advertising in their branches from time to time. Most of the respondents believe that the company/agent/distributor/co-operative sells reputable and familiar wire products. This reflects to the respondents as a successful organisation. They do give credit. The wire products they sell deliver a good performance. More than 50% of the respondents believe that the company/agent/distributor/co-operative provides high stock levels. It is pleasant for most of the respondents to do business with the company/agent/distributor/co-operative. Mostly their logo is visible and they do frequent advertising and promotions. Most of the respondents will do business again with the company/agent/distributor/co-operative. They have clear communication, is flexible to do business with and supply

high quality wire products at a competitive price. Their buying procedure is easy and they do deliver.

4.2.6 How do you feel about different brands in the wire industry?

Most of the respondents only use familiar brands and they prefer it to be stylish. They mostly buy brands that are stable and they do not like to test new products. They buy reputable brands that have been tested over and over again. The brands most of the respondents prefer to buy have quick market growth and a strong public image.

4.2.7 The correlation between from "whom do I purchase" and age

Purchase and Age are significantly correlated at the 5% level (r=0.31; p=0.027) Probability value (p) is smaller than 0.05, which means there is a 95%, or better probability that there is a statistically significant relationship. Purchasing and Age are statistically significantly related at the 5% level (chi square = 13.16; df=6; p=0.041).

From this it is clear that the older more mature farmers still prefer to buy their wire products from the co-op. I am making this assumption as the majority of the respondents are 41 and older and 78% of the respondents purchase their wire products from the co-op.

4.2.8 The correlation between Frequency and Question 1: Have no understanding of farmer's requirements and have understanding of farmer's requirements

FREQUENCY and QUESTION 1 are statistically significantly correlated at the 5% level (r=-0.31; p=0.029). This means that the frequency the farmers purchase at is correlated to how good the wire industry understands the farmers' requirements. This means the better the wire industry understands the farmers' requirements the more frequent they will purchase wire products.

4.2.9 The correlation between Frequency and Question 11: Is an unsuccessful organisation or is a successful organisation.

FREQUENCY and QUESTION 11 are statistically significantly correlated at the 5% level (r=-0.29; p=0.038). This means that the frequency the farmers purchase at is correlated to how successful the organisation is. This means if the farmers do not purchase their wire products from the organisation on a regular basis, it is impossible for that organisation to be successful.

4.2.10 The correlation between Purchasing and Question 2: Is not too progressive or is always improving.

PURCHASING and QUESTION 2 are statistically significantly correlated at the 1% level (r=-0.44; p=0.001). This means that from whom the farmer purchases and if they are always improving is correlated. This means if the wire company/agent/distributor/co-operative from whom the farmer buys always improves the farmer will keep on buying from him.

4.2.11 The correlation between Purchasing and Question 3: Use low technology or use high technology.

PURCHASING and QUESTION 3 are statistically significantly correlated at the 1% level (r=-0.39; p=0.006). This means that from whom the farmer purchases and the technology they use is correlated. This means that the wire company/agent/distributor/co-operative from whom the farmer purchases, must use high technology in order to keep its business.

4.2.12 The correlation between Purchasing and Question 4: Not playing an important role in my business or play an important role in my business.

PURCHASING and QUESTION 4 are statistically significantly correlated at the 1% level (r=-0.40; p=0.004). This means that from whom the farmer purchases and the role that they play in his business is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that plays an important role in his business.

4.2.13 The correlation between Purchasing and Question 5: Is old-fashioned or is modern.

PURCHASING and QUESTION 5 are statistically significantly correlated at the 5% level (r=-0.35; p=0.014). This means that from whom the farmer purchase and how old-fashioned or modern they are, is correlated. The farmer will purchase from the most modern wire company/agent/distributor/co-operative.

4.2.14 The correlation between Purchasing and Question 7: Provide slow service or provide fast service.

PURCHASING and QUESTION 7 are statistically significantly correlated at the 5% level (r=-0.29; p=0.041). This means that from whom the farmer purchases and how slow or fast their service is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative whose service is the fastest.

4.2.15 The correlation between Purchasing and Question 9: Have unreputable products or have reputable products.

PURCHASING and QUESTION 9 are statistically significantly correlated at the 1% level (r=-0.38; p=0.006). This means that from whom the farmer purchases and unreputable or reputable products is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative who is selling reputable wire products to him.

4.2.16 The correlation between Purchasing and Question 10: Sell unfamiliar products or sell familiar products.

PURCHASING and QUESTION 10 are statistically significantly correlated at the 1% level (r=-0.42; p=0.002). This means that from whom the farmer purchases and unfamiliar or familiar products is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative who sells him familiar products.

4.2.17 The correlation between Purchasing and Question 12: Give no credit or give credit.

PURCHASING and QUESTION 12 are statistically significantly correlated at the 5% level (r=-0.29; p=0.043). This means that from whom the farmer purchases and give no credit or give credit is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that will give him wire products on credit.

4.2.18 The correlation between Purchasing and Question 13: Deliver bad product performance or deliver good product performance.

PURCHASING and QUESTION 13 are statistically significantly correlated at the 1% level (r=-0.37; p=0.008). This means that from whom the farmer purchases and bad product performance or good product performance is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that sells him products that deliver good product performance.

4.2.19 The correlation between Purchasing and Question 18: Have no promotions or have frequent promotions

PURCHASING and QUESTION 18 are statistically significantly correlated at the 5% level (r=0.29; p=0.042). This means that from whom the farmer purchases and no

promotion or have frequent promotions is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that has frequent promotions.

4.2.20 The correlation between Purchasing and Question 20: Have hazy communication and have clear communication

PURCHASING and QUESTION 20 are statistically significantly correlated at the 1% level (r=-0.41; p=0.003). This means that from whom the farmer purchases and hazy communication or have clear communication is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that have clear communication.

4.2.21 The correlation between Purchasing and Question 21: Is rigid to do business with or is flexible to do business with.

PURCHASING and QUESTION 21 are statistically significantly correlated at the 1% level (r=-0.41; p=0.003). This means that from whom the farmer purchases and rigid or flexible to do business with is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that is flexible to do business with.

4.2.22 The correlation between Purchasing and Question 22: Supply low quality at a competitive price or supply high quality at a competitive price.

PURCHASING and QUESTION 22 are statistically significantly correlated at the 1% level (r=-0.42; p=0.002). This means that from whom the farmer purchases and low quality or high quality at a competitive price is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that sells him high quality at a competitive price.

4.2.23 The correlation between Purchasing and Question 23: Their buying procedure is complicated or their buying procedure is buyer friendly.

PURCHASING and QUESTION 23 are statistically significantly correlated at the 1% level (r=-0.56; p=0.000). This means that from whom the farmer purchases and buying procedure is complicated or buyer friendly is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative where the buying procedure is buyer friendly.

4.2.24 The correlation between Purchasing and Question 24: Work on a collecting basis or do deliveries.

PURCHASING and QUESTION 24 are statistically significantly correlated at the 5% level (r=-0.29; p=0.038). This means that from whom the farmer purchases and work on a collecting basis or do deliveries is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative who does deliveries.

4.2.25 The correlation between Purchasing and Question 25: I sometimes use strange brands or I only use familiar brands.

PURCHASING and QUESTION 25 are statistically significantly correlated at the 5% level (r=-0.29; p=0.040). This means that from whom the farmer purchases and use strange or familiar brands is correlated. The farmer will purchase from the wire company/agent/distributor/co-operative that sells familiar brands.

4.2.26 The correlation between Age and Question 11: Is an unsuccessful organisation or is a successful organisation.

AGE and QUESTION 11 are statistically significantly correlated at the 5% level (r=-0.29; p=0.039). This means that the age of the farmer and if an organisation is unsuccessful

or successful is correlated. The older more experienced farmer will purchase from a successful organisation who he has dealt with for many years.

4.2.27 The correlation between Age and Question 14: Provide low stock levels or provide high stock levels.

AGE and QUESTION 14 are statistically significantly correlated at the 5% level (r=0.30; p=0.037). This means that the age of the farmer and low or high stock levels is correlated.   The   older   experienced   farmer   will   buy   from   wire company/agent/distributor/co-operative that has high stock levels.

4.2.28 The correlation between Age and Question 15: Is unpleasant to do business with or is pleasant to do business with.

AGE and QUESTION 15 are statistically significantly correlated at the 5% level (r=-0.30; p=0.032). This means that the age of the farmer and unpleasant or pleasant to do business with is correlated. The older more experienced farmer will only do business when its pleasant to do business.

4.3 RECOMMENDATIONS

The empirical research conducted in this regard highlighted quite a few things wire companies need to take into consideration when selling wire products to farmers in the Eastern Free State.

4.3.1 The wire industry in general

The wire industry needs to take the farmers' impression of the industry serious as from the empirical study it was found that the wire industry plays an important role in their business. Due to this the industry must keep using high technology and must always

improve on what they put on offer. They must also keep up to date with what the farmers require in order not to produce products that are no longer required. Keep in touch with the market and one will never be out of orders.

4.3.2 The wire company/agent/distributor/co-operative from whom the farmer buys

1. The wire product that is supplied must always be attractive so that the farmer does not lose interest in the product.
2. The suppliers should always keep up the fast service that is currently being provided; the farmer will always buy from the company/agent/distributor/co-operative that provides the fastest service. If you do deliveries it will be an added benefit.
3. The most aggressive advertising will grab and keep the farmers attention.
4. Always keep reputable products in store. A supplier will not save by keeping unreputable products, and will, by doing so, only loose customers in the long run.
5. Farmers always recognise the products they buy, and therefore, the supplier should keep familiar wire products in store.
6. Farmers buy from successful organisations, therefore, the supplier should do all of the above.
7. Farmers prefer to buy from a business that can give credit.
8. Make sure the wire products you sell deliver good performance, farmers do not like to return products or have problems with products if the product is suppose to have a reasonable lifespan.
9. Have to manage stock levels, as farmers do not like to wait for a product if he needs it now.
10. Make sure the environment is nice to do business in, and the staff is friendly and helpful.
11. The business must be visible, with a recognised logo.
12. Advertise frequently, to make sure farmers know about your business.
13. From time to time, especially during peak seasonal periods have promotions.

14. Always communicate clear with your customers.
15. Make sure high quality wire products are supplied at competitive prices.

4.3.3 The feeling about different brands in the wire industry

1. Make sure that only familiar brand wire products are stocked.
2. The brand could be seen as the stylish brand in the wire industry.
3. It must be a stable and reputable brand. If introduced into a market it must show quick growth.
4. It must be a brand that has a strong public image.

4.4   CRITICAL EVALUATION OF THE STUDY

The success of this study is based upon realising the primary and secondary objectives, as indicated in section 1.4 of this study.

4.4.1   Primary Objectives re-visited

The primary objective of the study is to identify factors that play a role in the buying behaviour of farmers in the Eastern Free State when purchasing wire products. To address the primary objective, the secondary objectives were formulated.

4.4.2   Secondary Objectives re-visited

• Define buying behaviour.
• Obtain insight into the determinants of buying behaviour by means of a literature study.
• Investigate key dimensions of buying behaviour. How often do farmers in the Eastern Free State purchase wire products. From whom do the farmers in the

Eastern Free State purchase wire products. The age of the farmers in the Eastern Free State.

- Determine the internal business factors that have an influence on the buying behaviour of farmers in the Eastern Free State.
- Assess the current buying behaviour of farmers in the Eastern Free State.
- To determine the loyalty of farmers in the Eastern Free State towards a single supplier and or trademark/brand

The first secondary objective is to define buying behaviour. This was realised through the literature study that was done in Chapter 2.

The second secondary objective is to obtain insight into the determinants of buying behaviour. This was realised through the literature study conducted in Chapter 2.

The third secondary objective is to investigate key dimensions of buying behaviour. This was dealt with in the empirical study in Chapter 3 and concluded in Chapter 4.

The fourth secondary objective is to determine the internal business factors that have an influence on the buying behaviour of farmers in the Eastern Free State. This was realised through the literature study in Chapter 2 and dealt with in the empirical study in Chapter 3 and concluded in Chapter 4.

The fifth secondary objective is to assess the current buying behaviour of farmers in the Eastern Free State. This was dealt with in the empirical study in Chapter 3 and concluded in Chapter 4.

The last secondary objective is to determine the loyalty of farmers in the Eastern Free State towards a single supplier and or trademark/brand. This was dealt with in the empirical study in Chapter 3 and concluded in Chapter 4.

Through the achieving of all secondary objectives it can therefore be concluded that the primary objective namely to identify factors that play a role in the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

4.5   SUGGESTION FOR FUTURE RESEARCH/LIMITATIONS TO THE STUDY

There was no evidence found of prior researches in the Eastern Free State that focuses specifically on the buying behaviour of farmers when purchasing wire products.

Therefore this study can be conducted in different areas where this kind of research is required.
Can also conduct study for other products relevant to the farmer other than wire products.

A suggestion that I can made is that when future research is conducted, that individual interviews being done, with each selected farmer, rather than questionnaires being completed. This will give a more accurate result of the true feelings of the farmers.

4.6   SUMMARY

The purpose of this chapter was to conclude on the empirical study done on the buying behaviour of farmers in the Eastern Free State when purchasing wire products.

The details discussed were on the biographical information of the farmers in the Eastern Free State. The frequency of how often do they purchase wire products and from whom do they purchase the wire products. The wire industry in general was evaluated and the wire company/agent/distributor/co-operative from whom they buy was evaluated. We also evaluated how they feel about different brands in the wire industry.

The empirical research resulted in the formulation of recommendations to wire companies when selling wire products to farmers in the Eastern Free State. That was followed by a critical evaluation of the study in regards to the achievement of the research objectives. Suggestions for future studies were also recommended and we looked at the limitations of the study.

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APPENDIX A: QUESTIONNAIRE

Date completed: ___ (d) / ___ (m) / 2011

How often do you purchase wire?

Weekly	Montly	Yearly	Longer

From whom do you purchase wire?

Wire company sales representative	Agent	Distributor	Co-op

Your Age:

20- 30	31-40	41-50	51 +

Please describe how you perceive the wire industry and its products by placing an **"X"** on the appropriate number at each of the scales below.

For example:

Bad	1	2	3	4	5	*Good*

The wire industry in general :							
1	have no understanding of farmer requirements	1	2	3	4	5	have understanding of farmer requirements
2	is not too progressive	1	2	3	4	5	always improving
3	use low technology	1	2	3	4	5	use high technology
4	not playing an important role in my business	1	2	3	4	5	play an important role in my business
5	is old-fashioned	1	2	3	4	5	is modern
The wire company / agent / distributor / co-op from whom I buy:							
6	supply unattractive products	1	2	3	4	5	supply attractive products
7	provide slow service	1	2	3	4	5	provide fast service
8	provide meek advertising	1	2	3	4	5	provide aggressive advertising
9	have unreputable products	1	2	3	4	5	have reputable products
10	sell unfamiliar products	1	2	3	4	5	sell familiar products
11	is an unsuccessful organisation	1	2	3	4	5	is a successful organisation
12	give no credit	1	2	3	4	5	give credit
13	deliver bad product performance	1	2	3	4	5	deliver good product performance
14	provide low stock levels	1	2	3	4	5	provide high stock levels
15	is unpleasant to do business with	1	2	3	4	5	is pleasant to do business with
16	have an invisible logo	1	2	3	4	5	have a visible logo
17	advertise infrequent	1	2	3	4	5	advertise frequent

18	have no promotions	**1**	**2**	**3**	**4**	**5**	have frequent promotions
19	is uncertain if I would do business again	**1**	**2**	**3**	**4**	**5**	will definitely do business again
20	have hazy communication	**1**	**2**	**3**	**4**	**5**	have clear communication
21	is rigid to do business with	**1**	**2**	**3**	**4**	**5**	is flexible to do business with
22	supply low quality at a competitive price	**1**	**2**	**3**	**4**	**5**	supply high quality at a competitive price
23	their buying procedure is complicated	**1**	**2**	**3**	**4**	**5**	their buying procedure is buyer friendly
24	work on a collecting basis	**1**	**2**	**3**	**4**	**5**	do deliveries
How do you feel about different brands in the wire industry?							
25	I sometimes use strange brands	**1**	**2**	**3**	**4**	**5**	I only use familiar brands
26	I use plain brands	**1**	**2**	**3**	**4**	**5**	I prefer stylish brands
27	I sometimes buy unstable brands	**1**	**2**	**3**	**4**	**5**	I only buy stable brands
28	I like to test new products	**1**	**2**	**3**	**4**	**5**	I only buy reputable brands
29	the brand I buy have slow growth	**1**	**2**	**3**	**4**	**5**	the brand I buy have quick growth
30	the brand I use have a weak public image	**1**	**2**	**3**	**4**	**5**	the brand I use have a strong public image

THANK YOU FOR YOUR TIME!

APPENDIX B: LETTER FROM LANGUAGE EDITOR

Esselen str 71
Potchefstroom
2531
Tel: (018) 293-3046

CK 95.17794\73

October 31, 2011

Mr Ockert du Plessis

20407637

Re: Letter of confirmation of language editing

The MBA mini-dissertation "*Buying behaviour of farmers in the Eastern Free State when purchasing wire products*" was language, technically and typographically edited. The sources and referencing technique applied was checked to comply with the specific Harvard technique as per North-West University prescriptions.

Antoinette Bisschoff
Officially approved language editor of the NWU