

## CONSUMPTION OF COMMODITIES WITH SNOB AND ITS IMPACT ON CONSUMPTION EXPENDITURE IN INDIA

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### ABSTRACT

Consumption of commodities with snob appeal and its impact on consumption expenditure in India, due to snob appeal they may be an increase in the expenditure level. even middle class people started consuming luxury products. the law of scarcity is what makes the snob appeal work. not only we try hard not to lose something of value, we will pay more for think exclusive. The luxury goods have been intensive point of interest and discussion. when compared to the past, today some consumer have a high income with which they can make more discretionary consumption expenditure. In consumption of commodity with snob appeal there is an increase in luxury roducts. as the result of the research paper 50.6% of youngsters are snob consumer. 25.2% of people says that it gives less savings therefore it affect their income of the people. People prefer to be snob consumer due to increase of status in the society-53.1% of people response. even advertisement play a role in snob appeal. Some people feel that they can save money instead of spending money. The judgement of quality by price and price snob appeal can result in positively sloped demand curve due to snob appeal increases in demand of the commodity their will be increase in the price level in the market. The study aims to analyse the snob appeal and its impact on the consumption expenditure.

**Keywords:** Snob Appeal, Consumption of market, Quality of products.

## INTRODUCTION

Consumption of commodities with snob appeal and its impact on consumption expenditure in India. The snob appeal refers to qualities and attributes of the products that might appeal to a consumer with a snobby tastes. The actual product itself or the exclusivity the consumer will potentially experience the result of getting the product that is being advertised. Some consumers judge the quality of the price. They automatically assume that a higher priced goods must be better quality than a lower price goods (Anderson 2006). Some goods are bought mainly because they confer status on the buyer e.g. might be a diamond. It increases their status. It may be the mindset of the people in the society (Harry Conway date 2011). Due to snob appeal they may be an increase in the expenditure level. Even middle class people started consuming luxury products. The law of scarcity is what makes the snob appeal work. Not only we try hard not to lose something of value, we will pay more for think exclusive. It also the mechanism behind the success of certain counterintuitive moves by merchants. (Hodges L. Gallon 2006). This snob appeal is benefited to be seller/ producer of the commodity. People give preference to brand loyalty. In addition to targeting goods serves the function of more targeted signals. Leibenstein (1950) elaborates on Veblen's work, arguing that fashion goods, in particular, exert of status consumption effect on snob appeal (Amita Maxwell 2015). The snob appeal effect has its individuals needs for uniqueness, which derives from the theory of uniqueness he need for uniqueness is about consumer, lose of interest of the product become too common place, since consumer aim to create distinctive self-image and social-image through difference. Snob consumers are the differentiators, play a valuable role in keeping the fashion cycle rolling. They derive change and guide new direction by explorative (Linda Lisa Marina Turunen 2018).

The snob appeal may bring an inequality amount the people. As, middle class people started consuming luxury products, it affect the economically under privileged people. It shows variation amount the people. There is no uniformity in the society, even though there is benefit to the consumer and seller/producer. Snob appeal are used to sell the product to adults as well, especially cars and other luxury goods. Areas of concern include exaggeration, fantasy, particular appeal, celebrities, use of metaphors, and special effect. This snob appeal is commonly used in products that are to children and teenagers (Vashima Veerakumar, Neerja Jaiswal 2015). Due to snob appeal, it brings happiness to the people. It increases their status in the society,

therefore people preference to be snob consumer. due to snob consumer, the luxury products price increase and demand for the luxury goods increases. when there is a demand for the commodity they will be increase in the price level. (Dr. Lakshmi T and Rajeshkumar S)

The luxury goods have been intensive point of interest and discussion. when compared to the past, today some consumer have a high income with which they can make more discretionary consumption expenditure (Srinivasan. R and Srivastava R.K., 2014). The main objective this study is to analyse the snob appeal in India and its impact on commodities consumption expenditure.

### **HYPOTHESIS**

#### **NULL HYPOTHESIS:**

There is no impact in expenditure of the consumer due to snob appeal.

#### **ALTERNATIVE HYPOTHESIS:**

There is an impact in expenditure of the consumer due to snob appeal.

### **MATERIALS AND METHODS**

This study used primary data and it was collected from 300 respondents through questionnaire with simple random sampling methods from Chennai residents. The information collected through the questionnaire such as age, gender, monthly income, monthly expenditure and other information regarding snob appeal of consumers were collected.

### **RESULT:**

- AGE-42% 20-25, 28.1% 25-40, 22.7% 40-45, 7.1% are above 40.
- GENDER-47.2% are male response, 44.3% are female response and 8.5% are others.
- MONTHLY INCOME-40% of responded people monthly income are between 40,000-60,000, 29.8% of response people monthly income are between 25,000-40,000, 15.3% of responses people monthly income are below 25,000, 13.1% of responses people monthly income are between 60,000-1 lacks,
- MONTHLY EXPENSE-46.3% of responses people monthly expense are 10,000-25,000, 25% of responded people monthly expense are 25,000-40,000, 24.1% of responses people monthly expense are 40,000-60,000, 5% of responses people monthly expense are above 60,000.
- AWARE OF SNOB APPEAL-44% are not aware of snob appeal, 21% may be aware, 34.9% are aware of snob appeal,

- WHY THEY PREFER TO BE SNOB CONSUMER-53% prefer to be snob consumer to increase the economic status ,32.1% prefer to be snob consumer for show off, 14.8% for other reason.
- HOW MANY OF THEM ARE SNOB CONSUMER IN THEY FAMILY-53.1% says everyone in this family are snob consumer.25.9- of people says only they are snob consumer in this family.21% of people says very few people are snob consumer in their family.
- WHAT ARE THE LUXURY THINGS YOU HAV-35.5% of people have home appliances as their luxury product,34.9% of responses people have vehicles as their luxury product in home, 21% of responses people have mobile phone as their luxury products,8.5% are others.44.6%
- SNOB APPEAL AFFECT YOUR FINANCIAL STATUS-says No it does not affect the financial status,30.4 says yes, it affect the financial status due to snob appeal.
- SNOB IS BENEFITED TO-43.2% says snob is benefited to consumer,38.9- says snob is benefited to sellers,17.9% of people responses says it is benefited to both.
- FROM WHICH YEAR SNOB APPEAL CONSUMER INCREASES-31.8% says that there is an increase in snob appeal consumer from 2000.28.1% of people responses says that there is an increase in snob appeal consumer from above the year 2000.20.7% of the people says there is an increase in snob appeal consumer from 1990,13% of people says there is an increase in snob appeal consumer from 1980.
- IN WHAT WAY U WILL SAVE MONEY INSTEAD OF BEEN SNOB CONSUMER-33.5% says they will save money through buying golds,31.5% says they will save money through having policies,19% says they will save money through buying properties and 16.2% says they have no idea about it.
- IS THIS CREATE TEMPTATION TO THE ECONOMICALLY UNDER PREVELAGED PEOPLE-43.8% says no,37.8% says yes ,18.5% says may be.
- IN WHAT WAY SNOB APPEAL AFFECT YOU-36.9% more expense,25.6% less savings, 30.1% expenditure is more then income ,7.4% others
- DOES ADVERTISEMENT PLAYS A MAJOR ROLE IN SNOB APPEAL-42.9% NO,30.4% yes, 26.7% maybe
- WHICH GROUP OF PEOPLE PREFER TO BE SNOB CONSUMER-29.3% children's,51.1% youngster,11.9% middle aged people,7.7% seniors citizens

**DISCUSSIONS:**

Snob appeal refers to the qualities or attributes of a product that might appeal to a consumer with snobby tastes. The actual product itself or the exclusivity the consumer could potentially experience as a result of the product that is being advertised. This snob appeal is benefited to the sellers/producers of the commodity. People give prefer to brand loyalty. Snob consumer are the differentiation's, play a valuable role in keeping the fashion cycle rolling explorative. Snob appeal brings changes in the society. Snob appeal may bring inequality among the people. As, middle class people also started consuming luxury products, it affect the effect the economically under privileged people.

The snob appeal may bring an inequality amount the people. As, middle class people started consuming luxury products, it affect the economically under privileged people. It shows variation amount the people. There is no uniformity in the society, even though there is benefit to the consumer and seller/producer. Snob appeal are used to sell the product to adults as well, especially cars and other luxury goods. Areas of concern include exaggeration, fantasy, particular appeal, celebrities, use of metaphors, and special effect.

In consumption of commodity with snob appeal there is an increase in luxury products. As the result of the research paper 50.6% of youngsters are snob consumer. 25.2% of people says that it gives less savings therefore it affect their income of the people. People prefer to be snob consumer due to increase of status in the society-53.1% of people response. Even advertisement play a role in snob appeal. Due to many advertisements of luxury products create temptation to the people. Most of the people says that there is an increase in snob consumer is from 2000. Due to snob appeal 50% of people including middle class consume luxury product. The other half who are economically under privileged people tempt to get luxury they cannot, so this may lead them to working way like robbery. It brings unequal among the society. Due to snob appeal affect their income we raised the question like how will you save money. (Trishala A , Lakshmi T and Rajeshkumar S, " 2018)

Instead of being snob consumer for that many of them 33.5% of them says they will buy golds for saving their money. Due to snob consumer, the luxury product demand increases therefore they will be increase in price level in the market. Due to snob appeal, it increase they status ,it give happiness to the consumers. Some people feel that they can save money instead of

spending money.the judgement of quality by price and price snob appeal can result in positively sloped demand curve due to snob appeal increases in demand of the commodity their will be increase in the price level in the market.the snob appeal brings happiness to the people,bt it increase the market price.it affect the people. Sampling size 365.

### **CONCLUSION**

The analysis contained in this paper has served, demonstrated the richness of “the new consumer theory” by showing how this new approach can incorporate the question of judging quality by price and price-snob appeal.the consumption of commodity and price increases. It is benefited to the seller/producer.the snob appeal is based on the income of an individual. People prefer to be snob consumer to increase their status in the society.it brings unequality amount people.the economically under previlaged people are affected due to snob appeal they were not able to consume the luxury commodity. Some people feel that they can save money instead of spending money.the judgement of quality by price and price snob appeal can result in positively sloped demand curve due to snob appeal increases in demand of the commodity their will be increase in the price level in the market

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