Innovations

Influence of GST Council decisions on Consumer Buying Behaviour With special reference to the Garments, Textiles and Footwear sector in Andhra Pradesh, India

Pangi Chandi Shree Naidu
Research Scholar – Junior Research Fellow
Department Of Commerce and Management Studies
Andhra University, Visakhapatnam.
Email: chandishreen@gmail.com

Pangi Tarunasree Naidu
Email: tarunasreepangi@gmail.com

Professor Jaladi Ravi
Research Guide
PG Board of Studies Chairman
Department of Commerce and Management Studies
Andhra University, Visakhapatnam.

Received: 15 April 2022 **Accepted:** 18 May 2022 **Published:** 15 June 2022

Abstract:

Retail Inflation in India has accelerated to 6.95% in March 2022,infringing the upper tolerance threshold of 6% in a row for the third consecutive month. It has resulted in a 17-month high since October 2020. The reasons for such a huge uptick can be many, but when we look at the micro-level aspects, we can understand the huge picture at the macro level, which is interconnected in every step of the functioning of an economy. Perceptivity is the ability of an individual to understand the profound qualities or relationships among the inconsistent variables in the contextual framework of an economy. Our study is based on consumer buying behaviour and the perception of different segments in an economy. The impact of the sensitivity on the understanding level of the consumer and their ultimate behaviour in prioritising their purchase.The study depicts the influence of pandemics on different social settings, its impact on consumer behaviour and the government's approachto taxation on basic commodities.

Keywords: 1.*Social Perceptivity, 2.Economic Perceptivity, 3.Industry Perceptivity 4. Consumer Behaviour*

Introduction:

On September 18, 2021, we have seen in the newspapers that, in the first physical meeting after two years of the pandemic, the GST Council members in its 45thGST Council meeting has consideredtaking certain decisions on the impending tweaks in the GST Tax rates, which includes an increase in the Tax levy on

footwear that costs less than Rupees 1000 as well as the fabrics and readymade garments from 5% to 12%. They said that this decision was supposed to be taken long back but was postponed due to the coronavirus pandemic. India's Finance minister Nirmala Sitharaman has announced that the new tax rates would be operational from January 1st,2022. Our study is on the buyingbehaviour of consumers after getting to know about the GST Council decision, which would have come into force from January 1st 2022. This proposal could be because for many reasons, but the ultimate cost bearer would be the consumer.

Our study plays a crucial role in ascertaining the understanding level of various groups in the society and helps in proving the relation of different factors influencing consumers' buying behaviour. People got the time to make a decision on bulk purchases between September 18, 2021, to January 1, 2022.People would have thought to purchase in bulk during the period in order to escape from the further burden of excess 7% GST (12%-5%) on the same purchase of goods. Our study reveals the impact of this announcement on the behavioural urge to buy more in order to not waste their money on excess tax. In its 46th meeting of the GST Council meeting which was held on 31st December2021 in New Delhi under the chairmanship of Union Finance and corporate affairs minister Ms Nirmala Sitharaman has announced that existing GST rates in the textile sector to continue beyond 1st January 2022. This move was made by the minister because of many protests in the industry.

Consumer Price Index (CPI) is a yardstick that calculates retail inflation by gathering the data on the costs and prices of all the goods and services, which are utilised by the retail consumers of the country. This index is published every month bythe National Statistical Office (NSO) which functions under the ministry of statistics and programme implementation (MoSPI). Consumer Price Index (CPI) measure the retail inflation separately for all states and union territories of India including an analysis of rural as well as urban areas. And on the other hand, it calculates retail inflation for the whole of India which is named as National Consumer Price Index. It is determined by using 2012 as a base year, and the CPI basket of goods and services includes Food and beverages, Clothing, Housing, Fuel and Light, Recreation, etc.In our study, we are focusing on the clothing category which is a basic commodity and forms part of the CPI basket.

Literature review:

1. Karamjeet Singh., (2017) focussed on the history of the tax system and its implementation in other countries around the world prior to India. The author gives us insight into how it worked with other countries and inspects how improvements can be made to be content with such new reforms in a country like India. This says GST implementation needs improvement and modifications in order to get benefited from the change.

2.Akash Agarwal., S V Pathak., (2017) research study is an attempt to examine the relation between GST and whether such initiative has impacted or influenced the spending or the buying behaviour of the consumers. The study tried to understand the awareness among the people regarding GST and its implementation but yet to know in detail how it actually works.

3.Shivangi Agarwal., Dr Manoj k.Dash.,Prof. K.S.Thakur(2020) In this study the researcher tried to understand the reason for the unawareness of GST and its implementation's reasons projected are lack of knowledge, GST structure is complicated for understanding, taxpayers are burdened by the complexity in filling the form and there is a detailed need for the awareness.

4. Banerjee,A.(2017) sheds light on how the GST system in an economy like India is a more efficient system of taxation and how it has impacted business, customers and the government individually.

Social Perceptivity:

Clothing and footwear are the basic necessities for a human being. Whether we are billionaires or poor citizens, we need our habiliments. Nowadays we are coming across certain prices in the markets. The price rise can be due to supply and demand reasons, cost of transportation, availability of raw materials, or inflation. But the ultimate cost payers are the consumers. We know India is a highly populated country, with a huge proportion of poor people, who couldn't even effort food. Can they bear the cost of inflation and afford the basic commodity like clothing and footwear; Our study reveals that 61.68% of the respondents are against the new GST rates on basic commodities, while 16.82% of respondents are completely unaware of the situation.

Poverty is an unrecognised disaster, which takes decades to recover if the situation is favourable to the survivors. But we can't take guaranteed recovery. According to India's poverty statistics, roughly 6% or 86,799,498 (86.8 million) of the population is living in poverty. Because of the pandemic, India faced two waves and at the beginning of the idea of the third wave. This has affected our Indian economy very badly. Years of hard work and economic growth were struck down with one easy transmissible virus and has impacted the path for many years to come in the future. A large proportion of middle-income families were dragged below the poverty line. The question posed to the respondents was to know the extent of understanding under economic perceptivity and their sensitivity towards the changing social settings.53.27% of the respondents say that the rise in GST will be a burden questioning their affordability, while 23% of the respondents say they can manage.

When we talk about consumer buying behaviour, it is pure psychology. How a consumer thinks and what he/she intends to do with their hard-earned money matters. What impacts their decision matters? At what time they prefer to spend their money matters. There are many studies in the past that purely deal with the consumer mentality. Companies with huge turnovers which may extend to billions of dollars pay attention to this basic feature of human psychology, in order to predict consumer behaviour. Do you think a decision taken by the government could have an impact on the purchasing behaviour of consumers or the extent of money spent by the consumers including the incidence of time they spend it?

The move in the 45th and 46th meetings of the GST Council chaired by the union finance and corporate affairs minister Ms Nirmala Sitharaman resulted in higher purchases from the consumers beyond their regular spending limit in the fear of losing more money in future for high taxes. In response to the question,42.05% of the respondents confirmed that the move will result in excess expenditure than the regular limit. 38.32% of the respondents were not satisfied with this contention and 19.63%of the respondents were unaware of the GST council meetings.

Economic Perceptivity:

Clothing is part of the Consumer Price Index (CPI) Basket of 299 items and India's Retail inflation shot up to a 17-month high of 6.95% in March 2022. The retail inflation was at 5.6% in December 2021. The question posed to the respondents was to know the extent of the understanding level of these consumers regarding the impact of a certain increase in taxes on CPI and IIP. And about the breach of the upper tolerance threshold set up by the Reserve Bank of India, that is the inflation at 6%. Our study reveals that 59.81% of the respondents agree that an increase in GST could impact CPI and IIP and could cross the upper limit of inflation set by RBI.We have been through the dreadful pandemic, not once but twice. All the countries in the world are stranded in many ways. The service sector was hugely hit.

The labour-intensive sectors which run on human interface i.e., the contact intensive sectors were badly hit. The tourism and hospitality sector has completely shut down because of a lack of connectivity and transport. Entertainment, restaurants, gyms, recreation centres,etc were not at all allowed to work. The education sector has fallen to a new level where India has accounted for the huge number of dropouts.

There exists a digital divide, where the people who can afford the electronic devices and the internet can only afford to gain access to online education. All these problems were faced by the entire world with the fear of losing hope. Is this the right move made by the government in order to increase certain taxes is one of the economic perceptivity aspects, which helps in simulation and understanding the facts.59.82% of the respondents disagree with the GST council's move to charge more.

As we have already discussed the new measure of poverty in India, the basic reason for the cause of poverty is unemployment. Basically, there is a huge gap in employment efforts and employment opportunities even before the pandemic, but because of the pandemic and shut down of many sectors due to lockdown for months which has resulted in a huge chunk of unemployment. This aspect is part of economic perceptivity which gives the study a clear understanding of the respondent's awareness of consequences. And the impact on purchasing ability of the consumers. Our study reveals that 76.63% of the respondents reportedly stated that unemployment during the pandemic has a great impact on their purchasing ability.

Due to the inordinate impact of the pandemic, the world nations have decided to impose a critical lockdown. This has frozen the entire economic activity for a longer period. Every economy has faced a negative GDP growth rate. In the financial year, 2020-21 the GDP of the first quarter (April 2020- June 2020),India's Gross Domestic Product has contracted to 24.4%. In the second quarter (July 2020-September 2020) the country's GDP was contracted to a further 7.4%. And looking at the third quarter (October 2020-December 2020) there is a weak recovery in GDP with a growth rate of 0.5%. And coming to the last quarter (January 2021 – March 2021) it improved a bit by 1.6%. This means after adjusting the inflation the real contraction of GDP for the whole 2020-21 financial year was 7.3%. It is clear that all these adversaries have taken place because of the very little economic activity in the economy.When interacting with the respondents, 54.14% of the respondents speculate that delay in implementation of the move is a tactic played by the government to increase the economic activity.

West Bengal's former finance minister Amit Mitra had urged the union finance minister to roll back the proposed hike in textile saying that it would lead to the closure of around One lakh textile unit and 15 lakh job losses. According to our study of economic perceptivity, 60.74% of the respondents agree that a hike in the GST rates would lead to the closure of textile units and job loss. Their intention is that due to the pandemic, many people lost their livelihood, and their regular income would be lost. Lack of regular income would ultimately impact the demand when compared to the previous years. The reduced demand for the product affects the supply and production, negatively impacting the production cycle. This results in the termination of existing employment for millions of people and again createsa new generation of unemployment, which influences the buying behaviour due to unaffordability.

Basically, the demand for a product increase when the cost of the price decreases. That is the demand has an inverse relation with the cost of the product. Every entrepreneur's dream is to produce a product in the market with the highest demand. So that he/she would reap the benefit of excess sales and higher turnover with profits. But when you pay attention profits can be gained in two ways. Number one is, Low cost of production and number two is if the cost is high, then the demand has to be high too. We can't assure high demand for any single product, since there exists a huge competition among the players in the industry. The demand would be evenly shared among the sellers. But in order to take a competitive advantage, one could be able to sell his/her product at low cost and high quality. We can't assure high quality ata low cost, but the cost of production plays a crucial role in this game of the market.

Efficient utilisation of resources matters in dealing with low cost and high-quality products. These standards can be met by the big companies since they have the production capacity, technology, machinery and capital which will result in low fixed cost per product. But that is not the case with unorganised sectors and MSMEs. Micro Small and Medium Enterprises work with less capital. They can't afford the huge infrastructure and the benefit of economies of scale. They couldn't make the product with less cost of production, which means they couldn't stand in the competition with huge firms in producing

the cost-effective products, which would attract the customers towards their products. On top of all these, if the tax rates are increased which would eventually result in an increase in the cost of production, the demand for their products fall in the face of all the competition in the market for cost-effective products. Our study reveals that 74.77% of respondents agree that this hike would impact the unorganised and MSME sector.

India is rolling in the concept of Atmanirbhar Bharat, the call given by our honourable prime minister Narendra Modi. Our dependence on the neon gas which is essential in silicon chip manufacture, and is highly concentrated in Russia and Ukraine is hugely impacting the electronic goods manufacturing sector. Our dependence on edible oil imports which is nearly 60% of our oil consumption needs from other countries. Our dependence on the defence equipment by 60%and its spare parts by 85% on the countries like Russia, USA, France, Israel, etc. Our dependence on Coal and Crude Oil in other countries is nearly 85%. Our dependence on the Pharmaceuticals and Active Pharmaceutical Ingredients, etc. What not, we are one way or another are depending on imports from other countries of the world. Pandemic has helped us in recognising this niche because of the supply disruptions. So, the self-reliance concept has emerged and we are working really hard to achieve this dream of Atmanirbhar Bharat, by encouraging new start-ups which could after some years of effort become unicorns.Our study reveals the perceptivity of 56%of respondents who strongly feel that the change in tax rates could badly affect the budding start-ups by discouraging them with a higher cost of production and less demand. And 27.10% are unaware of the Atmanibhar Bharat.

The textile industry is a reliable sector for many in society. If we look at the minute aspect, such as skill development training for women. In it, the first preference would be making the women learn the skill of dressmaking or stitching. In India, we can see millions of women, depending on their occupation such as tailoring to survive, if they are not educated. The contribution to the textile industry is continuous in nature. In the same way, the Contribution of the textile industry is continuously increasing year on year.If we pay attention to the logic behind it, many of our respondents feel that in order to increase the revenue in the short run and to gain the benefit of economic activity, the government has focused on raising the tax on this textile sector, which is a huge contributor to the GDP. Our study reveals that 66.35% of the respondents agree that the hike in the GST is because the textile industry is a good contributor to GDP.

The domestic textiles and apparel industry stood at $ 108.5 bn in 2019-20 of which $ 75 bn was domestically consumed while the remaining portion worth $ 28.4 bn was exported to the world market. Do you think, the rise of GST would result in a reduction in Domestic Consumption?It can be argued, that the rise in the cost of a commodity may result in a reduction in demand for that product. So, when the demand is reduced, the stock of goods can't be sold. This unsold stock would be exported to other countries.Even though two-thirds of the revenue from the textile industry is generated domestically,43% believe that domestic consumption may not change due to new rates.

Industry Perceptivity:

This study is based on the knowledge and understanding level of the consumers, and their response to change. But that is not possible if they are unaware of the concept and its implications. The first question under the industry perceptivity is regarding the awareness level of respondents regarding this change in tax rates. That is whether these respondents are aware of this change in GST rate, with respect to garments, textiles and footwear from 5% to 12%. Our study reveals that 85% 0f the respondents are aware of the new GST hike and the rest are unaware.Domestic apparel and textile industries contribute 5% to the country's GDP and 7 % of industry output in value terms. It is not a small contribution. There is a never-ending demand for these products since it is an essential commodity and we have a huge population that needs this product.

Irrespective of age, community, culture and economic status, everybody uses the product 24x7. Our study on the industry perceptivity reveals that 51.40% of the respondents are not aware that the textile industrycontributes this much to the country's GDP.India is the 6th Largest exporter of textiles and apparel in the world and contributes to 12 % of the country's export earnings. Even in the colonial era, India is the largest exporter of fabrics. But it was used for colonial needs and not considered as the country's exports. India was not benefitted from these transactions but was exploited to a huge extent. If the country keeps on its efforts relentlessly, in the long run, we would be topping the world nations in this sector. Our study reveals that 69.16% of the respondents do not know that we arethe 6th largest exporter of textiles and apparel in the world.

95 % of the world's hand-woven fabric comes from India which is mainly from the informal sector. More than 80% of the Indian economy is dwindling in the informal sector. A very less percentage of people are utilising the social security benefits and are under the formal sector tag. What about the rest of the population which is stranded in informality without the basic social security benefits and not even with the basic pay. In order to survive by fighting the invisible enemy i.e., Poverty and feed their stomachs during these harsh inflation days, with the limited availability of employment opportunities in the formal sector, one has to depend on the informal sector for meeting his ends. But in reality, the informal sector is doing great by contributing its best efforts due to overexploitation. The textile sector which produces hand-woven fabrics were made by a huge proportion of the economically downtrodden population.

But when it comes to quality and the uniqueness in art and patterns, we are the best in the world market. Our study reveals that 68.22% are not aware that worlds 95% of thehandwoven fabric comes from informal sectors in India.The textiles and apparel industry in India is the 2nd Largest employer in the country providing direct employment to 45 million people and 100 million people in allied industries. We know India is still a developing country, because of the low per capita income and the population explosion. The people of India need employment opportunities very badly in order to survive and sustain themselves in the present and the future. After Agriculture, this is the sector that provides huge employment opportunities. The rise in taxes and loss of business may result in a huge extent of termination of employment. This could impact the whole economic cycle and drag them below the poverty line. Under the Industry perceptivity study, 60.75% of the respondents are not aware that India is the 2nd largest employer in the world providing direct employment.

Consumer Behaviour:

The change in tax rates may or may not impact consumer buying behaviour. But the component of self-awareness matters... some people are aware of their choices and accept it but, some people deny it. The denial of the actual decision would impact the true picture of any study. The question under the consumer behaviour which is a dependent variable depicts whether there is a change in the respondent's buying behaviour after getting to know about the tax rate change. This reflects the intention of the ultimate consumer towards the change in buying behaviour due to changes in tax rates. Awareness and understanding are fine, but the ability to spend matters. Is it really worth enough to spend excess money in future, after the tax rates get implemented? Or else is it worthy enough to spend excess money right now, in order to escape from further extra charges.

If they have made a decision to spend more money now, then what is the extent of additional expenditure that they have incurred this year when compared to last year in order to save themselves from spending excess money on tax next year.The intention of buyers plays a crucial role in the proportionate expenditure. Affordability matters, since the ability to spend ,is more viable than the intention to spend. Our study reflects the true picture of the extent of money spent by the respondent. The priority given by the respondent to his budget allocation is explained clearly.The question posed to the respondent was regarding any change in his/her budget allocation giving more preference, to purchase fabrics and

footwear after getting to know about the proposal of GST Council in increasing the taxes explains us the share of budget a common man can allocate towards clothing and footwear.

Research Methodology

Objectives of the Study:

1. To study the awareness level among the people with regard to the GST council decisions and the importance of the Textile Industry in the Indian economy.
2. To study the influence of GST council decisions on consumer buying behaviour.
3. To study the impact of the pandemic on the employment and purchasing ability of the consumers of the textile and footwear industry.

Research Hypothesis:

H0: There is a relationship between Perceptivity and Consumer buying behaviour with regard to GST Council decisions.

Population:

All retail consumers of clothing, garment, textiles and footwear from Andhra Pradesh, India.

Sample size:

150 respondents were approached through a questionnaire, both online and offline. All the respondents were adults in the age group above 25 years. Out of 150, the retail consumers who have submitted their responses are 107.

Type of data:

Primary data was collected through questionnaire and direct interviews with the respondents

Secondary data was collected from the official websites and newspapers.

Data Analysis and Interpretation:

- Consumer Behaviour (CB) is the dependent variable.
- Social Perceptivity (SP) is the independent variable.
- Economic Perceptivity (EP) is the independent variable.
- Industry Perceptivity (IP) is the independent variable.

Before starting our analysis, we need to make sure that our data is normally distributed. Depending on the distribution, we can decide whether we could use Parametric statistical methods or non-Parametric statistical methods. That is the reason why we need to do the test of normality.

Descriptive Statistics

			Statistic	Std. Error
CB	Mean		2.3458	.05563
	95% Confidence Interval for Mean	Lower Bound	2.2355	
		Upper Bound	2.4561	
	5% Trimmed Mean		2.3368	
	Median		2.3333	
	Variance		.331	
	Std. Deviation		.57540	
	Minimum		1.33	
	Maximum		4.00	
	Range		2.67	
	Interquartile Range		.67	
	Skewness		.199	.234
	Kurtosis		-.391	.463
SP	Mean		3.2960	.07278
	95% Confidence Interval for Mean	Lower Bound	3.1517	
		Upper Bound	3.4402	
	5% Trimmed Mean		3.2965	
	Median		3.3333	
	Variance		.567	
	Std. Deviation		.75281	
	Minimum		1.67	
	Maximum		5.00	
	Range		3.33	
	Interquartile Range		1.33	
	Skewness		-.053	.234
	Kurtosis		-.672	.463
EP	Mean		2.5067	.04176
	95% Confidence Interval for Mean	Lower Bound	2.4240	
		Upper Bound	2.5895	
	5% Trimmed Mean		2.4990	
	Median		2.4444	
	Variance		.187	
	Std. Deviation		.43200	
	Minimum		1.33	
	Maximum		3.78	
	Range		2.44	
	Interquartile Range		.56	
	Skewness		.258	.234
	Kurtosis		.306	.463
IP	Mean		1.3364	.02443
	95% Confidence Interval for Mean	Lower Bound	1.2880	
		Upper Bound	1.3849	
	5% Trimmed Mean		1.3232	
	Median		1.2000	
	Variance		.064	
	Std. Deviation		.25268	
	Minimum		1.00	
	Maximum		2.00	
	Range		1.00	
	Interquartile Range		.20	
	Skewness		.680	.234
	Kurtosis		-.008	.463

Tests of Normality

	Kolmogorov-Smirnov[a]			Shapiro-Wilk		
	Statistic	df	Sig.	Statistic	df	Sig.
CB	.125	107	.000	.958	107	.002
SP	.119	107	.001	.973	107	.028
EP	.091	107	.031	.985	107	.276
IP	.210	107	.000	.901	107	.000

a. Lilliefors Significance Correction

H0: The data is normally distributed.

H1: The data is not normally distributed.

Generally, the researchers go with the Shapiro-Wilk test statistic but it is legible for the studies whose sample size is less than 100. But our sample is more than 100, we can consider the first Test of Normality, which is Kolmogorov-Smirnov. Focus on the P-Value, which shows that all the variables are statistically significant. Since our level of significance is 0.05 and the P-Values are less than 0.05, which is statistically significant.With this, we can conclude that the datais not normally distributed. We shall reject the H0 (Null hypothesis) and accept the H1 (Alternative Hypothesis). We have to use a non-parametric statistical method.

Ordinal Regression

Model Fitting Information

Model	-2 Log-Likelihood	Chi-Square	df	Sig.
Intercept Only	399.755			
Final	391.013	8.742	3	.033

Link function: Logit.

Model Fitting Information explains to us how well the data is fit to the model. By focusing on the sig. which is 0.033 which is less than 0.05 can be termed as statistically significant and this model fits our data perfectly.

Goodness-of-Fit

	Chi-Square	df	Sig.
Pearson	753.232	757	.532
Deviance	381.073	757	1.000

Link function: Logit.

When we focus on the significance level, both the Pearson's and Deviance are not statistically significant. We can say the data is fitting the model well.

Pseudo R-Square

Cox and Snell	.078
Nagelkerke	.080
McFadden	.021

Link function: Logit.

Talking about Pseudo R-Square, Nagelkerke depicts the relation between the dependent variable and the independent variable. Here we can say that the impact on the dependent variable is to the extent of 0.080 of the independent variable.

Parameter Estimates

		Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Threshold	[CB = 1.33]	.813	1.442	.317	1	.573	-2.014	3.640
	[CB = 1.67]	2.220	1.424	2.429	1	.119	-.572	5.011
	[CB = 2.00]	3.090	1.435	4.640	1	.031	.278	5.902
	[CB = 2.33]	4.089	1.457	7.882	1	.005	1.234	6.944
	[CB = 2.67]	4.893	1.478	10.963	1	.001	1.997	7.789
	[CB = 3.00]	6.373	1.533	17.284	1	.000	3.368	9.377
	[CB = 3.33]	7.688	1.652	21.651	1	.000	4.450	10.927
	[CB = 3.67]	8.398	1.799	21.779	1	.000	4.871	11.925
Location	SP	.062	.229	.074	1	.786	-.386	.510
	EP	1.076	.413	6.768	1	.009	.265	1.886
	IP	.522	.692	.569	1	.451	-.835	1.879

Link function: Logit.

By observing the parameter estimates and the relationships among the independent variables and dependent variables, social perceptivity is the positive predictor of consumer behaviour. For every one-unit increase in social perceptivity, there is a predicted increase of 0.062 in the log odds of being at positive consumer behaviour. Economic Perceptivity is the positive predictor of consumer behaviour. For every one-unit increase in economic perceptivity, there is a predicted increase of 1.076 in the log odds of being at positive consumer behaviour. Industry perceptivity is the positive predictor of consumer behaviour. For every one-unit increase in industry perceptivity, there is a predicted increase of 0.522 in the log odds of being at positive consumer behaviour. Economic perceptivity is statistically significant than the other two independent variables.

Generalized Linear Models

Continuous Variable Information

		N	Minimum	Maximum	Mean	Std. Deviation
Covariate	SP	107	1.67	5.00	3.2960	.75281
	EP	107	1.33	3.78	2.5067	.43200
	IP	107	1.00	2.00	1.3364	.25268

The independent variables and their values are specified. The sample size is 107. The minimum, maximum, mean and standard deviation are given in detail for the social perceptivity, economic perceptivity and Industry perceptivity.

Goodness of Fit[a]

	Value	df	Value/df
Deviance	381.073	757	.503
Scaled Deviance	381.073	757	
Pearson Chi-Square	753.232	757	.995
Scaled Pearson Chi-Square	753.232	757	
Log Likelihood	-195.506		
Akaike's Information Criterion (AIC)	413.013		
Finite Sample Corrected AIC (AICC)	415.791		
Bayesian Information Criterion (BIC)	442.414		
Consistent AIC (CAIC)	453.414		

As we can see, under the Goodness of Fit table, the Deviance and Pearson Chi-Square are not statistically significant. Since the values 0.503 and 0.995 respectively are greater than the 0.05 level of significance. We can understand from the table that the data fit well.

Omnibus Test[a]

Likelihood Ratio Chi-Square	df	Sig.
8.742	3	.033

Dependent Variable: CB
Model: (Threshold), SP, EP, IP[a]
a. Compares the fitted model against the thresholds-only model.

The omnibus test is a statistical test that is designed to detect any deviation. According to the table given the data fits well. We can say that by observing the significance. It is statistically significant.

Tests of Model Effects

Source	Type III		
	Likelihood Ratio Chi-Square	df	Sig.
SP	.074	1	.786
EP	6.911	1	.009
IP	.588	1	.443

Dependent Variable: CB
Model: (Threshold), SP, EP, IP

Social perceptivity is not statistically significant, Economic perceptivity is statistically significant and Industry perceptivity is not statistically significant. But the likelihood ratio of chi-square is positive.

Parameter Estimates

Parameter		B	Std. Error	95% Wald Confidence Interval		Hypothesis Test			Exp(B)	95% Wald Confidence Interval for Exp(B)	
				Lower	Upper	Wald Chi-Square	df	Sig.		Lower	Upper
Threshold	[CB=1.33]	.813	1.3673	-1.867	3.492	.353	1	.552	2.254	.155	32.867
	[CB=1.67]	2.220	1.3496	-.425	4.865	2.705	1	.100	9.204	.653	129.643
	[CB=2.00]	3.090	1.3638	.417	5.763	5.135	1	.023	21.986	1.518	318.416
	[CB=2.33]	4.089	1.3819	1.381	6.798	8.756	1	.003	59.696	3.978	895.867
	[CB=2.67]	4.893	1.4011	2.147	7.639	12.195	1	.000	133.344	8.557	2077.892
	[CB=3.00]	6.373	1.4649	3.501	9.244	18.923	1	.000	585.522	33.158	10339.419
	[CB=3.33]	7.688	1.5889	4.574	10.803	23.413	1	.000	2182.954	96.949	49152.723
	[CB=3.67]	8.398	1.7418	4.984	11.812	23.245	1	.000	4437.031	146.044	134803.705
SP		.062	.2285	-.386	.510	.074	1	.786	1.064	.680	1.665
EP		1.076	.4124	.267	1.884	6.800	1	.009	2.931	1.306	6.579
IP		.522	.6820	-.815	1.859	.586	1	.444	1.686	.443	6.416
(Scale)		1[a]									

Dependent Variable: CB
Model: (Threshold), SP, EP, IP

a. Fixed at the displayed value.

When there exist more than two correlated predictors in the model, the B coefficient is known as a partial regression coefficient, and it represents the predicted change in the dependent variable. By keeping all the other predictors constant, with every one unit of increase in the independent variable, there will be a predicted change in the dependent variable.In the above table, we can see the B coefficient of our variables. The social perceptivity has 0.062, Economic perceptivity has 1.076 and Industry perceptivity has 0.522. If we go through the significance level economic perceptivity is statistically significant. But social perceptivity and the industry perceptivity are not statistically significant. Exp(B) is the exponentiation of the B coefficient, which is an odds ratio. Talking about the odd ratio if an odd ratio is greater than one, there is an increasing probability of being reflected on the dependent variable for every one-unit increase in the independent variable. If the odd ratio is less than one, there is a decreasing probability of being reflected on the dependent variable for every one-unit increase in the independent variable.

If an odd ratio is equal to one, there is no predicted change on the dependent variable if there is a significant change in the independent variable.The odd ratiopresents that for every one-unit increase in the social perceptivity, the consumer behaviour increases by a factor of 1.064. The odd ratio presents that for every one-unit increase in the economic perceptivity, the consumer behaviour increases by a factor of 2.931. The odd ratio presents that for every one-unit increase in the industry perceptivity, the consumer behaviour increases by a factor of 1.686. Since most of the independent variables are having the p-values which are not statistically significant, there is no strong evidence to reject the null hypothesis. We accept the null hypothesis, that is H0: There is a relationship between Perceptivity and Consumer buying behaviour with regard to GST Council decisions. And reject the alternative hypothesis H1: There is no relationship between perceptivity and consumer buying behaviour.

Correlations

			CB	SP	EP	IP
Spearman's rho	CB	Correlation Coefficient	1.000	.036	.249**	.107
		Sig. (2-tailed)	.	.711	.010	.275
		N	107	107	107	107
	SP	Correlation Coefficient	.036	1.000	-.009	.077
		Sig. (2-tailed)	.711	.	.926	.430
		N	107	107	107	107
	EP	Correlation Coefficient	.249**	-.009	1.000	.102
		Sig. (2-tailed)	.010	.926	.	.295
		N	107	107	107	107
	IP	Correlation Coefficient	.107	.077	.102	1.000
		Sig. (2-tailed)	.275	.430	.295	.
		N	107	107	107	107

**. Correlation is significant at the 0.01 level (2-tailed).

Since the data is not normally distributed, we have used non-parametric spearman's correlation.From the above table we can clearly see that the social perceptivity has a weak correlation with the consumer buying behaviour when compared to other variables. But the economic perceptivity has a moderate correlation with the consumer behaviour. And our analysis depicts that there is a statistically significant relation between economic perceptivity and consumer behaviour. We can see that the industry perceptivity has a weak relation when compared with the economic perceptivity.

Conclusion:

The foresight of the future spending budget on clothing and footwear is less significant in the wealthy homes, but the budget allocation for the purchase of the basic commodities will be thought twice in the poor and middle-income groups. The study reveals that a significant proportion of the population had made changes in their budget allocation and has prioritized their spending on garments, textiles and footwear this year, in order to avoid the excess expenditure in the coming year.The independent variables such as the social perceptivity, economic perceptivity and industry perceptivity played a crucial role in the consumer buying behaviour that is the dependent variable.

Reference:

1. *Agarwal, Akash., Pathak, S.V., (2017). Awareness, concerns and compliance of GST. The Indian journal of commerce.Vol.70(4);61-69.*
2. *Banerjee, A. (2017). Impact of the Goods and services tax (GST) Bill on the Indian economy. International journal of new technology and research. Vol.3(6),59-61*
3. *Agarwal, Shivangi., Dash Manoj, K., Thakur, K.S., (2020). A study on Awareness of Taxpayers about Goods and service tax and reason for unawareness of Taxpayers about Goods and service tax implementation in Gwalior city. Gedrag&organisatie Review. Vol.33-1012. (lemma-tijdschriften.com).*
4. *Singh, Karamjeet., (2017). Conceptual framework of GST. The Indian journal of commerce. Vol.70(4);52-60.*

5. *Devi, S. (2016). Goods and service tax in India: A swot analysis. International Journal of Research-Grandhayalayah. Vol.4(12); 188-195.*
6. *Garg,G. (2014). Basic concepts and features of goods and service tax in India. International Journal of Scientific Research and Management (IJSRM). Vol.2(2); 542-549.*
7. *Saravanana, S.K. CM., (2017). Assessment and impact of existing indirect tax to goods and services tax in India. International Journal of Scientific Research in computer science, engineering& Information technology. Vol. 2(3); 623-629.*