

“A STUDY ON BUYING BEHAVIOUR- WITH REFERENCE TO RURAL CONSUMERS”

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Abstract

Consumer behaviour is described as the manner of selecting, buying, the use of and disposing goods and services through people or establishments to fulfil their needs. Companies have to recognize the various factors that have an effect on purchasers to make purchases these elements may be reference agencies, cultural elements, and economic elements and alike, in addition they want to understand the acquisition system that goes into making buy selections with the aid of clients with the intention to succeed in both rural and concrete markets. The rural markets offer a big selection of possibilities because of their tremendous size and adjustments that have taken region over the years. Behaviour of customers in urban areas and the characteristics of city purchasers range appreciably from the agricultural counter elements. An crucial end may be drawn from the studies is that know-how the buying behaviour of purchasers is critical for businesses. Whilst it is also seen that rural and urban clients want to be segmented nicely so as to derive sales and profit from each the markets. This research paper gives an outline of the research, which has been executed on consumer buying behaviour in each rural and urban area almost about purchaser durables. However, there are studies gaps and similarly scope for comparative studies between rural shopping for behaviour toward durables, as there are few studies studies performed on this topic.

Introduction

Consumer behaviour is described, as the process of selecting, buying, using and disposing goods and services by individuals or organisations to satisfy their wants. Consumer behaviour is complicated to understand as consumers behave in a certain manner but act otherwise. It becomes important for marketers to understand what drives consumers to make their purchases as consumers drive markets. It also becomes imperative for companies to view consumers from a different angle by understanding their needs and wants as consumers today have a variety of brands and products to choose from. Therefore by analysing the needs of the consumers, marketers can fine tune their products to meet the demands of consumers to become more competitive. Consumer behaviour plays a significant role in all aspects of marketing, even for the players along the supply chain from manufacturer to the retailer. These players have to thoroughly understand the consumers in order to compete successfully. Companies have to understand the various factors that influence consumers to make purchases these factors may be reference groups, cultural factors, economic factors and alike and they also need to understand the purchase process that goes into making purchase decisions by consumers in order to succeed in both rural and urban markets. Today, rural markets are seen as potential markets by companies due to the increase in their disposable income, change in lifestyle and attitude, increase in demand of products. The rural markets provide a wide array of opportunities due to their vast size and changes that have taken place over the years. Many companies are tapping these potential markets to take advantage of the opportunities in the rural markets. However, due to the heterogeneous feature of rural markets it is of paramount importance that firms understand the behaviour of consumers and develop models particularly for these regions. The marketing strategies have to be well thought of when companies consider marketing their products or services in rural markets. It can also be observed that with increase in the income of rural consumers, rural women have started working rather than just doing the household chores, advancement of technology all these factors has increased their demand for durable products like washing machine, refrigerators etc. in contrary to the rural markets are the urban markets, urban markets contribute to nearly 65% market share in durables industry, urban markets are homogenous in nature despite the homogeneity it becomes important for marketers to determine the behaviour of consumers in urban areas and the characteristics of urban consumers as they vary drastically from the rural counter parts in terms of family size, income level, education, higher awareness levels. Therefore companies need to conduct research before venturing into rural as well as urban markets as the dynamics of these two

markets are different. Consumer durables are a class of consumer products that are not required to be purchased frequently. These products have a prolonged life and do not wear out quickly.

Objectives of the Study

The main objectives of the proposed study are:

- i) To assess the consumption pattern as well as expectations of the rural consumer.
- ii) To ascertain the buying habits and the factors affecting viz. brand choice of the rural consumers.
- iii) To analyse the post purchase behaviour and satisfaction of the rural consumer.
- iv) To bring out the suggestions and implications for rural marketing strategy.

Research Design and Methodology

The proposed study is an exploratory in nature. A different method of data collection was implied in order to complete the survey work. Data regarding consumption pattern, brand preferences, buying behaviour, awareness and attitude of rural consumers towards marketing were collected from the primary sources, for which different questionnaires were administered. Informal discussions were also carried out with the marketing intermediaries (Distributors) in and around the area to know their marketing practices for the rural sector.

To obtain the information from the respondents (rural masses) a detailed structured questionnaire containing eight different sections was prepared. The first and second sections were regarding village and respondent profile respectively followed by consumption pattern of durable and non-durable products and purchasing behaviour. The Third section was related to Haats and Melas followed by consumer awareness. At the last in section, questions were related to the consumer attitude towards the promotional activities adopted by the marketers. As the masses are uneducated, the questionnaire is filled by personal interview. The collected data was coded, classified, tabulated and analysed systematically. The association between variables has been tested using cross (contingency) tables and for data analysis, statistical techniques such as Chi-square test, ANNOVA, Average weighted score and T-test are made.

Product Selection, Source of Information and Buying Decision

To know the criteria of product selection, brand preferences, source of information and buying decision about durables following observations have been made.

Product Selection

It was found that brand is the main deciding factor of purchasing as the majority of respondents (44%) claimed for, followed by cost (32%), while remaining considerations are credit facility (10%), gift, discount & offer (08%), design and colour (06%) of the product.

Buying Decision

It became located that the choice of brand is commonly decided inside the family, as most people (47%) of the respondents taken into consideration the opinion in their member of the family before buying the product whereas approximately one 1/3 (29%) respondents buy themselves and ultimate (24%) have been inspired by means of their friends and neighbour.

Post-Purchase Behaviour

It was asked to the respondents whether they are satisfied with the quality and performance of the product, which they possessed, a majority of respondents (84%) were satisfied. Out of the dissatisfied respondents (16%), a high majority (95%) did not complain anywhere while few of them (05%) have complained to the dealer. It was notable that all of them said the re complained was heard properly and redressed accordingly. It was appreciating to note from the quality end that a good number of the respondents (62%) preferred to buy same brand in future, which they already have, while remaining (28%) prefer to switch over to another brand just for the sake of change.

Buying Behaviour (Non Durables)

It was observed that the retailer or shopkeeper in the selected villages provides information about the new products, offers and gifts to the consumer. More than three-fourth of the respondents (76%) spent Rs. 750 to Rs. 1000 monthly for their daily needs in the local market, followed by Rs.500 to Rs. 750 (10%), more than Rs. 1000 (09%) and remaining (05%) spent less than Rs. 500. Majority of the respondents (60%) always purchase in cash while rest of them (40%) purchase either in cash or credit according to the situation. In case of credit facility given by shopkeeper, the majority of respondents (58%) said that shopkeeper allowed them one-month time to repay, while few (27%) said that the repayment time is more than one-month and remaining (15%) said that they themselves pay their debt within 15 days. It was observed that in case of satisfaction with respect to quality and brand of the product available in the village market, a high majority of respondents (88%) were dissatisfied while very few (12%) were satisfied. Regarding the frequency of purchase of various non-durable products by rural consumers it was observed that a high number of respondents purchase

some products like Shampoo (70%), Detergent Cake (60%) and Bathing Soap (57%) on weekly basis whereas in case of monthly purchasing the majority of respondents revealed for Toothpaste (72%), Tea (70%) Hair Oil (63%), Salt (60%) and Detergent Powder (51%).

Haats and Melas

The distinct features of the rural markets are the presence of Haats. These periodic markets are held once on a week and on an average, more than 500 people visits in the haats of the selected villages. Generally, haats are held within 5 km radius from adjoining villages, which cover at least ten villages and consists of approximately 50 shops. In haats every type of daily needs products such as salt, spices, grain, wheat, rice, pulses, cereals, tea, toothpaste and powder, detergent cake and powder, edible oil, hair oil, vegetables etc are available. In spite of this, cloths, shoes, cosmetics are also found in the haats. Majority of respondents (60%) said that they visit haats for purchasing daily needs products because of cheapness and variety and further they were satisfied with the quality and price of the products available in the haats.

Melas and Fairs are a part of India's rural culture and history, where people converge for occasions, festivals and to commemorate other important events. These fairs take place around the time when farmers sell their crops which means they have surplus money to spend in the melas. At least twenty melas and fairs are held every year all over the district and an average more than 1,500 people visits in these fairs. Unlike the haats, melas cater to a much larger population with more sophisticated manufacturing products and almost half of the outlets in the melas sell factory made goods. Almost all the respondents visit melas and purchased products from there because of cheapness and variety. They are satisfied with the quality and price of the products available in the melas.

Distribution Network in the Study Area

The distributor (wholesaler) is the person who real interfaces between the firm and its customers and his interaction with consumers gives rise to sale. In total ten distributors in which four distributors and six semi distributors (big retailers) have been interviewed for non-durables. The entire sampled distributors were well educated and most of them (60%) were involved into this business about more than twenty years. These wholesalers directly

sell the goods to retailers (kirana shops) in their assigned territory. To obtain the dealership they have to fulfil two primary conditions i.e. physical as well as financial. They should have sufficient space in good locations and should have the minimum-security deposit, which depends on the quantity of the stock they desired. It was noticed that the companies take 80% advance payment of the goods from the distributors and allowed fifteen to thirty days credit facility to them. The distributors also exercise the same practice with retailers by taking an advance for the goods forwarded to them and the credit facilities.

The wholesaler may get product directly from the company or the sales representatives deputed by the companies who keep on visiting to them. These sales representatives also gives feedback to the producers regarding sales intensity, inventory holding support, services provided to customer, complaint from retailers or consumers, payment of invoices, and maintenances of business records. In case of wear & tear, damage in transit the company affords the losses if occurred. Regarding the complaints, almost every company has its own procedure to resolve the said complaints.

Consumer Awareness and Complaint Behaviour

To assess the awareness level of the respondents it was noticeable that the majority of the respondents (66%) were aware about the consumer rights therefore, whenever they come across with any defect in the product about two third of the respondents (61%) return the product to the shop keeper followed by change the shop (21%) and remaining (18%) prefer to change the brand. In case of complaining about the defective products to any government organization more than half of the respondents (55%) did not know where to complain whereas a good number of the respondents (45%) despite of knowing this never exercised their right. Further, in case of taking cash memo majority of respondents (60%) said that they never asked for bill while remaining (40%) use to get bill from the shopkeeper. While purchasing a product about one-third of the respondents (34%) check the price of the product followed by date of manufacturing (25%), name of the producer (24%) and remaining (17%) concerned for quantity/weight of the product.

Consumer Attitude towards Advertisement and Sales Promotion

With all round economic growth and the consequent rise in disposable incomes, it was notices that expenditures on shopping by the rural class are high like all the other urban

affluent classes. They have shifted to a consumer-oriented culture having enough disposable income to spend on consumer durables. Further, the study revealed that in case of durables quality and price plays an important role in the purchase decision. Today they enjoy almost all the basic comforts of life with the branded products, as more than half of the respondents are using multinational brands. It is appreciating to note that a vast majority of the consumers were satisfied with the quality of the products, which shows the realization of the importance of rural market from the marketers end who wants to have a competitive edge in the arena. Further, it was found that the brand retention was also very high among the rural consumers, though they take a long time to decide on a particular brand but once they are convinced they are more brand loyal than their urban counterparts. It was also noticed that their buying behaviour is very much influenced by experience of their own and their own families.

In case of non durables it was observed that people do not compromise with quality, as a very high majority of the rural consumer's buy salt and spices of national brands whereas, for mustered oil they prefer local brands being prepared in nearby mills and chakkis. It was also interesting to note that generally, the rural consumer prefers to shop at the local market as there is a variety to choose from and is competitive pricing structure and moreover he is confident about the shopkeeper, whereas they prefer to go town and cities for personal care products, this could be because of the high-risk (reliability, quality and price), involved with these products.

Shopkeeper either in local market or in city is the main source of information's regarding offer & gifts, discounts and new products etc, and they have great trust on them as the high majority of consumers make repeated purchasing from the same shopkeeper. It was found that merely less than ten percent of the consumer makes credit purchasing; this change could be because of rising income of the rural masses. With the increased transport facilities people use to make five to ten visits to the town and city in a month where they prefer to buy comparatively costly items, over there.

Discussions

Haats and melas are still distinct features of the rural markets. Majority of the people still enjoy visiting and buying from these periodic markets due to variety and cheapness. It is appreciable to note that people are satisfied with the quality and the price of the products available in the haats and melas.

It was notices that though rural consumers are not much aware of their rights, as consumers but the complaint regarding durable products were very high as a considerable amount in

involved into. It is encouraging to note that a high majority of them were satisfied with the way their complaint has been redressed which shows the realisation of accountability from the marketer send. In case of awareness regarding consumer forum, more than fifty percent were ignorant about, while rest of them were aware through television and newspapers but they never made any complaint over there. In case of nondurables the complaint was reported very low, it was merely less than ten percent, made to shopkeeper only. Whereas most of the people prefer to switchover another brand or prefer to change the shop.

Conclusion

It is encouraging to word that there's a super development in shopping for behaviour and intake pattern of rural clients, for you to create an extra call for to agencies in the future as well. But the corporations additionally has to simply accept this fact that rural buyers search for a price for cash from their purchase, and do no longer purchase anything for the sake of buying it. As also suggested inside the take a look at that brand and rate play an important function of their desire, hence the entrepreneurs must assume most effective of rural variations in their products with desired innovations to fulfil the want and the context of the rural consumers, leaving the product capabilities essentially the same as those supplied to urban customers.

Tapping the sea of rural market in India demands creative marketing and many developmental efforts to be made in an effort to exploit the gigantic advertising opportunities. In the agricultural regions, call for needs to be created, and for this personal promoting is the ideally suited manner of promotion because rural income force has familiarity with rural subculture, traditions, and habits. The sales individual has a plus point that he can talk inside the neighbourhood rural languages.

Further, the marketers need to also use non-traditional communication media such as haats, melas, folk media, and puppet indicates and mobile audio-visual van having a transportable exhibition kit for village-to-village income campaigns. These A.V. vans are now popular in rural markets and they can act as effective tools of promotion, therefore, the spirit of creativity and all marketers in rural marketing should evince innovations in promotion as these media is more effective and have greater impact on rural psyche.

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