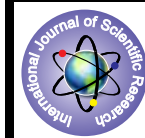


A Study on Rural Consumer Behaviour Towards Selected Fast Moving Consumer Goods in Salem District



Commerce

KEYWORDS : Rural Consumer Behavior, FMCG,

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ABSTRACT

The liberalization of the Indian economy had far reaching consequences, which led to entry of global brands in the Indian markets. Earlier companies focused their marketing efforts towards the urban markets targeting the educated consumer. However with the saturation of markets in the urban sector, many companies focused their attention towards the fast growing rural sector. Hence the buying behavior of rural consumers has become a hot topic for discussion because rural India, in recent days, is enthusiastically consuming everything from shampoo to motor cycles and this "rural predilection" is being considered as one of the significant topics of market analysis. The study focuses mainly on the rural consumer behavior towards selected Fast Moving Consumer Goods (FMCG), but with the prevailing trend, it is necessary to focus on the essence and emergence of vibrant rural marketing efforts from the FMCG companies. Thus with more number of companies entering into the rural market, with a variety of products, it is a must for the companies to study the rural consumer behavior, on FMCG. This study will highlight the rural consumer behavior before purchase, at the time of purchase and post-purchase. The commodities chosen for the research are shampoo, bathing soap, toothpaste, biscuits and mosquito coil/liquid. The commodities selected for the research has been done on the basis of products available for hair care, skin care, oral care, food and beverages care and mosquito repellants.

INTRODUCTION

The liberalization of the Indian economy had far reaching consequences, which led to entry of global brands in the Indian markets. Earlier companies focused their marketing efforts towards the urban markets targeting the educated consumer. However with the saturation of markets in the urban sector; many companies focused their attention towards the fast growing rural sector. And also the rural markets in India are still evolving, and the sector poses a variety of challenges. The consumption patterns, tastes and needs of the rural consumers are entirely different from that of urban consumers. While it is evident that urban Indian has adapted much faster than the rural consumer due to higher exposure of media and changing life style, the rural consumers are not far behind. Hence the buying behavior of rural consumers has become a hot topic for discussion because rural India, in recent days, is enthusiastically consuming everything from shampoo to motor cycles and this "rural predilection" is being considered as one of the significant topics of market analysis.

STATEMENT OF THE PROBLEM

In a competitive world, there are many problems in marketing of goods. Some problems can be solved, but many problems may not be solved. India is a developing country. So, most of the people are living in rural areas. Rural marketing is important for developing a country's economy. Manufacturers face many problems in marketing their product in rural areas because most of the rural consumers earn low incomes, have low levels of literacy, low levels of brand awareness, communication and transportation facilities. The consumers are finding various problems in selecting their fast moving consumer goods. It is identified that there is a need for research work in the field of consumer behavior of FMCG in the rural areas of Salem District.

OBJECTIVES OF THE STUDY

1. To study the attributes of different FMCG products.
2. To identify the factors of Need Recognition and Information Search Characteristics of Rural Consumers.
3. To ascertain the Evaluation of Alternatives and Brand Awareness and Brand Knowledge of Rural Consumers in Salem District.
4. To study the Pre Purchase and Post Purchase perception of Rural Consumers.
5. To analyze the factors influencing Post Purchase Behavior and Brand Loyalty among the rural population.
6. To examine the influence of demographic variables on the factors of need recognition, evaluation of alternative and post purchase behavior.

RESEARCH METHODOLOGY

Data Collection

The methodology of the study is based on the primary, as well as secondary data. The study depends mainly on the primary data

collected through a structured interview schedule, The secondary data are collected from journals, magazines, publications, reports, books, dailies, periodicals, articles, research papers, websites, company publications, manuals and booklets.

Sampling size and design

The study area comprises of four divisions of Salem District and they are classified by the researcher to justify the sampling procedure adopted in the research. A proportionate random sampling method was used to collect various perceptions of consumers of FMCG in rural areas in Salem District. Salem District consists of 4 revenue divisions in which 15 villages were selected through lottery method from each revenue division. The sample size of 600 respondents, representing 10 from 60 villages had been proportionately chosen from the 4 revenue divisions in Salem District.

Analysis of Data

The primary data collected from the consumers will be analyzed by using SPSS V-15 (Statistical Package for Social Sciences) to obtain the results concerning the objectives of the study. Factor analysis, Cluster analysis, t-test, One Way Analysis of Variance, Multiple Regression and Correspondence and Association Analysis are applied for analyzing the responses of FMCG consumers of Salem District.

PRE-PURCHASE RURAL CONSUMER BEHAVIOUR AND PURCHASE AND POST PURCHASE BEHAVIOUR – AN ANALYSIS

Whole process of consumer behavior can be divided into five major stages: (i) Need Recognition, (ii) Information Search, (iii) Evaluation of Alternatives (iv) Purchase, and (v) Post-purchase Behavior. For this study the first three above stages have been clubbed together under the broad head "Pre-Purchase Consumer Behavior" and the next two stages under "Purchase and Post-Purchase Behavior".

FINDINGS

- a maximum of 34.2 percent of the respondents are using clinic plus, a maximum of 39.8 percent of the respondents' choice is Britannia, a maximum of 38 percent of the respondents are using Hamam, a maximum of 52.3 percent of the respondents are using Colgate, a maximum of 37.5 percent of the respondents' choice is Goodnight.
- The rural consumers of Salem District are highly aware of shampoo and its significance in preventing dandruff.
- The consumers of biscuits strongly agreed that it reduces hunger.
- The consumers of bathing soaps strongly agreed that the attributes give fragrance give a refreshing feel and stop the bad odour.
- The consumers of toothpaste strongly agreed that the attributes gives whitens teeth, kills germs, strengthens tooth, and gives taste and foaminess.

- The consumers of mosquito repellents strongly agreed that the attributes safeguard them from mosquitoes and gives good fragrance.
- Interest in FMCG, impressed by advertisements and protection on health are needed for purchasing the FMCG which necessitated and created the need for purchasing the FMCG in the rural areas of Salem District. Low unit price, changes along with changes in civilization and living a healthy life are also considered to be some of the reasons for purchasing FMCG.
- The consumers feel family members as well as friends are the reliable sources to give authentic information about the FMCG. The other personal sources relatives, doctor, past experience, word-of-mouth and colleagues are also considered as an important source in getting information about FMCG.
- Medicinal value of FMCG is considered to be the main and important criterion while evaluating the various brand of FMCG by the rural consumers of Salem district to take the final decision.
- A maximum of 77.2 percent of the respondents have good knowledge and awareness about the Fast moving consumer goods.

SUGGESTIONS

- The manufacturer is also suggested to express the health impact of mosquito repellants transparently.
- New strategies to influence the rural consumers and try to retain their market share for survival.
- Try to establish their brands and capture their market share to be successful in the rural market in the years to come, through innovative marketing strategies.
- Consumers must be given a choice to select the product availability of the products in the village shops there should be an important guideline given by the distributors of the different product categories. All this is possible only if the distributors execute a proper credit system; ensure ad-

equate space to keep their products and offer good profit margin to the shopkeepers in order to improve their business.

- Shopkeepers play an important role as consultants for all the brands keeping this fact in view, all the manufacturers or producers should educate and involve the shopkeepers in all promotional activities. This will prove to be more effective because, from manufacturing to consumption, the shopkeeper is the only intermediary who is interacting with the ultimate consumer. For many brands, shopkeepers also act as brand ambassadors.
- The manufactures of products shall pay their attention to these aspects and try the possibility of winning the rural market through these promotional offers.

CONCLUSION

The research concludes that the perception of a rural consumer is as equal as the perception of an urban consumer. They are able to realize the need of the product, extensive awareness of the product, and suitable information sources of the product. They are meticulous about purchasing from outlets of the FMCG. They derive characteristics through their experience of the product and make careful study on the negative effect and quality of product. They also approach the product of FMCG and make suitable purchase decision. They are able to collect maximum information of the product through Television advertisements. The consumer behavior of the rural population logically prefers the product, making the purchasing decision and expressing the satisfaction level. The consumers have the tendencies brand shift if not satisfied with the utilization of the product as well as availability in the market. In the post –purchase satisfaction in rural consumers of predominant brand image and quality of the product is important. The royalty of rural consumer purpose is very high, so their strength and their expectation are also maximized. The democratic background of the rural consumer plays a vital role in determining the behavioral aspect as well as the royalty of brand.

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