



ORIGINAL RESEARCH PAPER

Marketing

“A STUDY ON CONSUMER BUYING BEHAVIOUR OF FAST MOVING CONSUMER GOODS IN RURAL MARKET”

KEY WORDS: FMCG, consumer buying behaviour, cultural and social factors, personal factors, psychological factors.

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ABSTRACT

Today the FMCG sector is enjoying a vital role within the Indian economy. 'Go rural' is that the motto of marketing gurus when analyzing the socioeconomic changes in villages. Rural marketing has been growing steadily over the years and is currently larger than the urban marketplace for FMCGs. The aim of this research work analyzes the demographic variables of consumer buying behaviour factors towards FMCG brands in the rural market in Mysuru District of Karnataka. The sampling technique used for this analysis study was the convenient sampling technique. For the aim of the study 168 respondents are chosen within the Mysuru district. The survey has utilized both primary data and secondary data. The tools used to analyze the data are Simple percentage analysis, 't' test, and ANOVA. This paper reveals that consumer behaviour is largely affected by cultural and social factors, personal factors than psychological factors.

INTRODUCTION:

India is a big country with 29 States, over one billion people and 120 languages. Three fourth of India's population lives in rural areas, and contribute a common fraction of the national income. Rural consumer behaviour is the study of buyer's behaviour in the rural area regarding the purchases they make. Consumer behaviour in the rural market is more confusing because of the lack of consistency in parameters of demographics – age, occupation, education and income. The aim of rural consumer behaviour is to grasp the client decision-making method each one by one and additionally in teams. Brand awareness and brand preferences are dynamic and there's a necessity to live it. FMCG sector in rural and semi-urban India is estimated to cross US\$ 20 billion by 2018 and US\$ 100 billion by 2025. The Government of India has planned several initiatives to enhance the infrastructure in rural areas which may have a number of factors resulting in increasing movements of products, services and thereby improving the earnings potential of rural areas subsequently improving consumption. The penetration of FMCG brands in rural India has changed the lifestyle of rural consumers. Brand awareness and brand preferences are also changing and there is a need to measure it.

Review Of Literature:

Muneeswaran & Vethiraja (2013), indicated that consumer behaviour is given much importance in the present consumer-oriented marketing system with specific reference to 'gender attention'. The FMCG sector consists of four product categories as Household Care; Personal Care; Food and Beverages; and Tobacco. Each of these categories has a relatively fast turnover and low costs. Every buyer purchases a particular product due to the many influencing factors. The influencing factors differ from one buyer to another and also from one product to another product. A brand that occupies a place in the minds of the buyers also disappears due to various reasons. Sales promotion techniques and the quality of the products attract rural consumers. Manufacturers of personal care FMCGs should also strengthen their distribution to reach the rural market and to be successful. The poor distribution system, fragmented rural market, and heterogeneity of population are the challenges in rural marketing.

Haresh & Sanjay (2011), confirms that cash discount is a sales promotional scheme widely used by marketers to sell various FMCG products. The study specified that both males and females have a similar attitude towards the cash discount, as one of the sales promotion schemes and they do not differ significantly. In other words, both gender categories have the same attitude towards cash discounts. Also, another demographic variable also does not differ according to

various employment statuses, family size, family types, and the marital status of the respondents.

Subhash (2009), in his study, deliberated the consumption of FMCG products and brands in rural India, features persuading sales in rural markets, techniques of market penetration, problem and limitations. The author of the study lastly determined that with the growing competition and saturation in urban areas the penetration and future of the business of FMCG products prevail in rural markets.

John Mano (2007), discussed the suitable strategies for FMCG products to reach rural and urban markets. The author opined that the rural market has grown steadily over the years and is now bigger than the urban market for FMCG products. Globally, the FMCG sector has been effective in marketing products to the lower and middle-income groups and the trend is the same in India. Over 70% of sales are made to middle-class households today and over 50% of the middle class is in rural India. This is a huge opportunity for FMCG companies to convert buyers to purchase branded products. The marketers should formulate different strategies to manage rural consumers since they are economically, socially, and psycho-graphically different from urban buyers.

Significance Of The Study:

This analysis study focuses principally on the rural consumer behaviour towards designated fast-moving consumer goods (FMCG) brands with special regard to attention merchandise viz., bath soap, shampoo, toothpaste. More companies and brands are entering into the rural market with a variety of products; therefore there is a need to understand the rural market and rural consumer behaviour better to improve upon the business dealing with them. This research study aims to highlight the brand preferences of rural consumers with reference to the above mentioned personal care products.

Statement Of The Problem:

The rural market has a lot of opportunities and a variety of problems for marketers who tend to take their business to rural consumers. Marketers do not have a thorough idea about rural places and rural people except for a few big companies. Rural consumers are reluctant about the usage of certain products, are not aware of brands, have no base for choosing a brand, various influencing factors, etc. majority of the population live in rural areas of India. The rural market is a huge potential for selling FMCG goods. Understanding rural mass benefits the FMCG brands to vend more business and make more profit. A study to comprehend the personality of rural mass is vital in a country like India. Rising rural prosperity is also a reason for this research work to add more information to the existing knowledge.

Objectives Of The Study:

1. To understand the importance of FMCG brands in the rural market.
2. To analyze the demographic variables of consumer buying behaviour factors towards FMCG brands in the rural market.

Research Methodology:

In this section, the research approaches and research design choices made, sampling design, methods used for data collection, the framework of analysis are discussed. Further, procedures used for testing the research instrument's reliability and validity are discussed.

Research Design:

This research study uses a descriptive research design using the survey method. Descriptive research is composed of a clear statement of the problem, a specific hypothesis, and detailed information needs (Malhotra, 1999). The study uses a survey-based research method and is structured with clearly stated hypotheses and investigative questions.

Hypothesis of the study:

H0: "There is no significant relationship between demographic variables and consumer buying behaviour factors towards FMCG brands in rural market"

Demographic Profile of the Respondents

Table No. 1

Age	No. of Respondents	Percentage (%)
Below 20	10	6
21-30	52	31
31-40	49	29
41-50	39	23
51-60	10	11
Total	168	100
Gender		
Male	79	47
Female	89	53
Total	168	100
Marital Status		
Married	112	67
Unmarried	56	33
Total	168	100
Education		
Higher Secondary	20	12
Graduate	71	42
Post Graduate	53	32
Professionals	24	14
Total	168	100
Occupation		
Agriculturist	67	40
Business	45	27
Employee	34	20
Professionals	22	13
Total	168	100
Monthly Income		
Below 20000	69	41
20001-40000	56	33
40001-60000	28	17
Above 60000	15	9
Total	168	100
Size of the family		
Less than 4	38	23
4-8 members	104	60
9-12 members	6	5
Above 12	20	12
Total	168	100

Source: Primary Data

Interpretation: According to the Table No.1 out of 168 sample respondents, 29% of the respondents belong to the age group consists of 31-40 years, 89% of them are female, 67% of them are married, 42% have completed their graduation, 40% of them are agriculturist, 41% of them earned below 20000 rupees and 60% of the respondents belongs to the 4-8 family members.

Sub Hypothesis:

a). H0: "There is no significant relationship between age and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 2 Factors influencing buying behaviour of FMCG brands and Age group of consumers -ANOVA

Consumer buying behaviour factors	Age	Sum of Squares	df	Mean Square	F	P Value
Cultural and Social Factor	Between Groups	5.015	4	1.254	5.361	.000
	Within Groups	38.122	163	.234		
	Total	43.137	167			
Personal Factor	Between Groups	4.221	4	1.055	4.121	.003
	Within Groups	41.742	163	.256		
	Total	45.963	167			
Psychological Factor	Between Groups	3.133	4	.783	1.858	.120
	Within Groups	68.700	163	.421		
	Total	71.833	167			

Source: Primary Data

Interpretation: The above table no. 2 shows the results of ANOVA based on factors influencing the buying decision of FMCG brands among the different age group of consumers. Since the 'p' value of factors influencing buying behaviour decision of FMCG brands namely Cultural and Social factor is .000, Personal factor is .003 which is less than 0.05, it may be concluded that age-wise there is a significant difference in consumer buying behaviour factors of FMCG brands in the rural market. The table further shows that the Psychological factor is .120 which is more than 0.05. Therefore it may be concluded that age-wise there is no significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

b). H0: "There is no significant relationship between gender and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 3 Factors influencing buying behaviour of FMCG brands and Gender of consumers - 't' Test

Consumer buying behaviour factors	Gender	F	Sig.	t	df	P Value
Cultural and Social Factor	Equal variances assumed	.995	.320	2.278	166	.024
	Equal variances not assumed			2.302	165.503	.023
Personal Factor	Equal variances assumed	.020	.887	2.265	166	.025
	Equal variances not assumed			2.275	165.696	.024

Psychological Factor	Equal variances assumed	.255	.614	1.200	166	.232
	Equal variances not assumed			1.205	165.654	.230

Source: Primary Data

Interpretation: The above Table No. 3 shows the results of the 't' test based on factors influencing buying behaviour of FMCG brands among different gender group of consumers. Since the 'p' value of Cultural and Social factor is .023, Person factor is .024 which is less than 0.05 it may be concluded that gender-wise there is a significant difference in consumer buying behaviour factors of FMCG brands in the rural market. The table further shows that the Psychological factor is .230 which is more than 0.05. Therefore it may be concluded that gender-wise there is no significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

c). H0: "There is no significant relationship between Marital Status and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 4 Factors influencing buying behaviour of FMCG brands and Marital status of consumers- 't' Test

Consumer buying behaviour factors	Marital Status	F	Sig.	t	df	P Value
Cultural and Social Factor	Equal variances assumed	2.435	.121	.766	166	.445
	Equal variances not assumed			.814	129.688	.417
Personal Factor	Equal variances assumed	1.653	.200	.883	166	.378
	Equal variances not assumed			.940	129.859	.349
Psychological Factor	Equal variances assumed	5.724	.018	1.019	166	.310
	Equal variances not assumed			1.102	135.551	.272

Source: Primary Data

Interpretation: The above Table No. 4 shows the results of the 't' test based on factors influencing buying behaviour of FMCG brands among the marital status of consumers. Since the 'p' value of Cultural and Social factor is .417, Person factor is .349 and Psychological factor is .272 which is more than 0.05. Therefore it may be concluded that marital status wise there is no significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

d). H0 : "There is no significant relationship between Education and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 5 Factors influencing buying behaviour of FMCG brands and Education of consumers- ANOVA

Consumer buying behaviour factors	Education	Sum of Squares	df	Mean Square	F	P Value
Cultural and Social Factor	Between Groups	4.836	3	1.612	6.902	.000
	Within Groups	38.301	164	.234		

	Total	43.137	167			
Personal Factor	Between Groups	3.912	3	1.304	5.085	.002
	Within Groups	42.051	164	.256		
	Total	45.963	167			
Psychological Factor	Between Groups	2.514	3	.838	1.983	.119
	Within Groups	69.319	164	.423		
	Total	71.833	167			

Source: Primary Data

Interpretation: The above table no. 5 shows the results of ANOVA based on factors influencing the buying decision of FMCG brands among different Educational qualification of consumers. Since the 'p' value of factors influencing buying behaviour decision of FMCG brands namely Cultural and Social factor is .000, Personal factor is .002 which is less than 0.05, it may be concluded that education wise there is a significant difference in consumer buying behaviour factors of FMCG brands in the rural market. The table further shows that the Psychological factor is .119 which is more than 0.05. Therefore it may be concluded that educational qualification wise there is no significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

e). H0: "There is no significant relationship between Occupation and consumer buying behaviour factors towards FMCG brands in rural market.

Table No. 6 Factors influencing buying behaviour of FMCG brands and Occupation of consumers- ANOVA

Consumer buying behaviour factors	Occupation	Sum of Squares	df	Mean Square	F	P Value
Cultural and Social Factor	Between Groups	5.861	5	1.172	5.094	.000
	Within Groups	37.276	162	.230		
	Total	43.137	167			
Personal Factor	Between Groups	4.908	5	.982	3.874	.002
	Within Groups	41.054	162	.253		
	Total	45.963	167			
Psychological Factor	Between Groups	6.142	5	1.228	3.029	.012
	Within Groups	65.691	162	.406		
	Total	71.833	167			

Source: Primary Data

Interpretation: As per the table no. 6 shows the results of ANOVA based on factors influencing the buying decision of FMCG brands among different occupation of consumers. Since the 'p' value of factors influencing buying behaviour decision of FMCG brands namely Cultural and Social factor is .000, Personal factor is .002 and Psychological factor is .012 which is less than 0.05, it may be concluded that occupation wise there is a significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

f). H0 : "There is no significant relationship between Monthly Income and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 7 Factors influencing buying behaviour of FMCG brands and Monthly Income of consumers- ANOVA

Consumer buying behaviour factors	Monthly Income	Sum of Squares	df	Mean Square	F	P Value
Cultural and Social Factor	Between Groups	5.660	5	1.132	4.894	.000

	Within Groups	37.477	162	.231		
	Total	43.137	167			
Personal Factor	Between Groups	5.767	5	1.153	4.649	.001
	Within Groups	40.195	162	.248		
	Total	45.963	167			
Psychological Factor	Between Groups	6.677	5	1.335	3.320	.007
	Within Groups	65.157	162	.402		
	Total	71.833	167			

Source: Primary Data

Interpretation: According to table no. 7 shows the results of ANOVA based on factors influencing the buying decision of FMCG brands among different Monthly Income of consumers. Since the 'p' value of factors influencing buying behaviour decision of FMCG brands namely Cultural and Social factor is .000, Personal factor is .001 and Psychological factor is .007 which is less than 0.05, it may be concluded that monthly income-wise there is a significant difference in consumer buying behaviour factors of FMCG brands in the rural market.

g). H0 : "There is no significant relationship between Size of the family and consumer buying behaviour factors towards FMCG brands in rural market"

Table No. 8 Factors influencing buying behaviour of FMCG brands and Size of the Family of consumers-ANOVA

Consumer buying behaviour factors	Size of the Family	Sum of Squares	df	Mean Square	F	P Value
Cultural and Social Factor	Between Groups	4.433	3	1.478	6.262	.000
	Within Groups	38.704	164	.236		
	Total	43.137	167			
Personal Factor	Between Groups	3.473	3	1.158	4.468	.005
	Within Groups	42.490	164	.259		
	Total	45.963	167			
Psychological Factor	Between Groups	2.777	3	.926	2.198	.009
	Within Groups	69.056	164	.421		
	Total	71.833	167			

Source: Primary Data

Interpretation: According to table no. 8 shows the results of ANOVA based on factors influencing buying decision of FMCG brands among different size of the family of consumers. Since the 'p' value of factors influencing buying behaviour decision of FMCG brands namely Cultural and Social factor is .000, Personal factor is .005 and Psychological factor is .009 which is less than 0.05, it may be concluded that size of the family is wise there is a significant difference in consumer buying behaviour factors of FMCG brands in rural market.

VII. Findings of the Study:

Demographic Profile: The researcher found that out of 168 sample respondents, the majority 53% of them are female members, 31% belongs to the age group of 21-30 years, 67% are married and 40% having an occupational background of agricultural people, 42% are graduates. Among them 60%

from 4-8 family members. With regard to income generation, 41% earned a monthly income of below Rupees 20000.

Factors influencing buying behaviour of FMCG Brands and Demographic profile of Consumers: The study found that cultural and social factors, personal factors are influence age, gender, education qualification. Hence, there is a significant influence on the consumer buying behaviour of FMCG brands in the rural markets. It further states that the psychological factor is not significantly influenced by the consumer buying behaviour of FMCG brands in the rural markets.

The marital status of the consumers is not significantly influenced by the consumer buying behaviour of FMCG brands in the rural markets.

Occupational statuses, Monthly income, size of the family variable impact on the cultural and social factors, personal factors and psychological factors. Therefore, there is a significant influence on the consumer buying behaviour of FMCG brands in the rural market.

Scope of Further Research:

The scope of further research was conducted in even another district of Karnataka.

DISCUSSIONS AND CONCLUSION:

The consumer preferences towards branded FMCG products are influenced by demographic variables. Consumer prefers branded products attributable to quality issues. Unless the FMCG marketers don't perceive these wants and need they can't satisfy the customers. The rural market has sensible scope for branded FMCG products than the urban. The producers and marketers will devise the sales strategy and promotional activities to take advantage of the rural FMCG market. The rural market may be an extremely fragmented one that the marketing research must be conducted on a periodical basis to grasp and find updates regarding the rural client wants on FMCG brands. The new corporations' are instructed to own partnerships with market leaders to maximize their whole visibility within the market, which in turn, that gains trust and consumer delight.

This article deals with the analysis of the primary data which has been collected from 168 respondents who are regular consumers of FMCG products. The study is stated with the objective of examining the demographic variables of consumer buying behaviour factors towards FMCG brands in the rural markets. This article reveals that consumer buying behaviour is largely affected by Cultural and Social factors, Personal factors. However, the Psychological factor also plays an important role in buying behaviour of consumers. Hence, it is concluded that this sort of study is significant to draw the market potentials of the FMCG brands particularly the Mysuru district. In future, the stores and retailers area unit is fine-tuned with many facilities to achieve the customers and their interest.

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